

SENATE—Tuesday, June 30, 1992

(Legislative day of Tuesday, June 16, 1992)

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.

PRAYER

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

Let us pray:

*And it shall be, if thou do at all forget the Lord thy God * * * I testify against you this day that ye shall surely perish. As the nations which the Lord destroyeth before your face, so shall ye perish; because ye would not be obedient unto the voice of the Lord your God.—Deuteronomy 8:19-20.*

God of the ages, we realize those words were spoken by Moses to Israel, but they apply to our Nation as well, born as it was out of Jewish-Christian tradition. Somehow, we must learn to distinguish between religious establishments and faith in God. Our forefathers mistrusted the establishment of religion, but they took God seriously as reflected in their prayers, their speeches, and their writings.

Give us mind to perceive that religious establishments are what humans do when they institutionalize religion. Even Jesus faced opposition from the religious establishment, but He lived to do the will of His Father in Heaven. God created man free to choose, even against Himself, but the consequence of such choice was self-destruction, so dramatically illustrated by the collapse of communism in the Soviet Union.

Save us from such demise, gracious God, renew in us the faith of our fathers, and restore in us the Judeo-Christian values which will strengthen and sustain us nationally. To the glory of God and the blessings of the people. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 30, 1992.

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.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, am I correct in my understanding that the Journal of the proceedings has been approved to date?

The ACTING PRESIDENT pro tempore. The majority leader is correct.

SCHEDULE

Mr. MITCHELL. Mr. President, this morning the period for morning business will extend until 12:30 p.m. During that time, a number of Senators are to be recognized for specific time limits. Once the period for morning business closes at 12:30 p.m., the Senate will recess until 2:15 p.m. in order to accommodate the regular party conference luncheons.

At 2:15 p.m., the Senate will return to consideration of S. 2733, the Government-sponsored enterprises bill, with the bill to be considered under a unanimous-consent agreement reached on Friday. The details of this agreement are found on pages 2 and 3 of the Senate Legislative Calendar today, and I direct the attention of every Senator to that agreement.

Each of the amendments remaining in order to the bill will be considered under time limitations, with rollcall votes expected to occur, once the time is used or yielded back.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

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

The legislative clerk proceeded to call the roll.

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

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

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business for not to extend beyond the hour of 12:30 p.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

The Senator from Illinois is recognized.

STANDARDS ON VIOLENCE

Mr. SIMON. Mr. President, I have mentioned this on the floor before, but I will give a little background of how I became involved with the topic I am about to mention.

I checked into a motel in the State of Illinois, something that you and I and all of us in the Senate do regularly. I turned on my television set, and all of a sudden in front of me in living color someone was being sawed in half by a chain saw. I am old enough to know it is not real, but it bothered me. I asked myself, what happens to a 10-year-old, what happens to a 12-year-old who sees this?

I returned and asked my staff to check whether anyone had done studies on this. I found, to my amazement, that there had been a series of studies, that the Institutes of Mental Health of NIH had issued studies saying violence on television is causing violence in our society. The Surgeon General twice has issued warnings on this. There have been a whole series of studies.

I do not believe in Government censorship, so I called representatives of the television industry to my office, and I said here is an area where clearly we have a problem and we ought to do something about it.

The representatives of NBC said, "Well, we have a study that shows violence on television does not do any harm."

I said, "You remind me of the Tobacco Institute people who come in here and say they have research that cigarettes do not do any harm." I said, "There is no question about the harm. The question is how are we going to deal with this problem in a free society?"

And then they said to me, "Well, we cannot deal with this because to get together and establish standards would violate the antitrust laws."

So I introduced legislation giving a 3-year exemption from the antitrust laws so the industry could get together and establish standards on violence.

First of all, it is interesting that we had the resistance at least privately, if

not publicly, of most of the television industry, not all of it, to even having an exemption from the antitrust laws. But it finally passed, and we are now at the midpoint of that 3-year period.

I think it is worthwhile asking what has happened in this period. The honest answer is not very much.

The National Association of Broadcasters hosted a meeting in which its statement of principles were distributed. The three networks have pledged to get together to compare standards. The meeting was to have occurred in April. It has now been postponed until July. They are inching forward, but I am not sure, candidly, whether they are just making motions so it looks like they are doing something so we do not pay any attention in Congress to what is occurring. And we continue to get statements from a few saying television violence does not do any harm.

It is very interesting: You have television industry saying to you that if you get 25 minutes of exposure of television violence, it does not do any harm. But if you will buy 30 seconds' worth of television time, that can have great influence. The reality is that those 30 seconds' worth of television do have an influence, and I am sure the Presiding Officer has purchased those 30 seconds' worth of time occasionally, as I have purchased those 30 seconds' worth of time because we believe it has influence. But there is no question that 25 minutes, or whatever the time period, also has influence.

Let me also say the cable industry, where they have been less hostile to the whole idea, to their credit, has hired Dr. George Gerbner of the University of Pennsylvania, who is one of the experts in this field, to do some studies. And I hope it is not just studies. I hope as a result of this the industry, whether it is on the production side, whether it is the networks, whether it is cable, can get something done. But up to this point it is not very significant.

Just recently, the June 10 issue of the *Journal of the American Medical Association*, Mr. President, has an article, and I ask unanimous consent to insert it in the *RECORD* at the end of my remarks.

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

(See exhibit 1.)

Mr. SIMON. It is titled "Television and Violence," written by Dr. Brandon S. Centerwall, who is with the Department of Psychiatry and Behavioral Sciences at the University of Washington in Seattle, and also has a private practice.

Let me just take a couple of quotes. Let me quote also, before I quote from him directly, what the American Medical Association said at their convention, their house of delegates. Their house of delegates, and I am quoting:

Declares TV violence threatens the health and welfare of young Americans, commits itself to remedial actions with interested parties, and encourages opposition to TV programs containing violence and to their sponsors.

The article by Dr. Centerwall says this among other things:

Whereas infants have instinctive desire to imitate observed human behavior, they do not possess an instinct for gauging a priori whether a behavior ought to be imitated. They will imitate anything, including behaviors that most adults would regard as destructive and antisocial.

So infants do imitate—not just infants, young children, and all of us to some extent imitate. But then listen to this. And this is as dramatic as anything I can present to this body. Listen to what Dr. Centerwall has to say in the *American Medical Association Journal*:

The epidemiologic evidence indicates that if hypothetically television technology had never been developed, there would be 10,000 fewer homicides each year in the United States, 70,000 fewer rapes, and 700,000 fewer injurious assaults.

Let me repeat that:

The epidemiologic evidence indicates that, if hypothetically, television technology had never been developed, there would be 10,000 fewer homicides each year in the United States, 70,000 fewer rapes, and 700,000 fewer injurious assaults.

Let me just make two other quotes from his article:

Issues of quality and social responsibility are entirely peripheral to the issue of maximizing audience size within a competitive market, and there is no formula more tried and true than violence for reliably generating large audiences that can be sold to advertisers.

We are talking about money, and just as drugs do great harm but make money for the people who sell them, violence on television does great harm but makes money for the people who sell it.

Children's exposure to television and television violence should become part of the public health agenda along with safety seats, bicycle helmets, immunizations and good nutrition.

Let me quote from two other articles. One is written by Fred Hechinger, a long-time friend who used to be with the *New York Times* editorial staff. He has written in *Fateful Choices*. He says:

An average of 83 percent of all television programs contain violent acts, and a typical program includes 5.21 such incidents.

He quotes Deborah Prothrow-Stith, an assistant dean of Harvard School of Public Health, in which she calls for—

A movement like that fueling the antismoking and drunk driving campaigns. Television and movies should portray the pain and suffering, the bad outcomes of violence.

Let me just add here there are people who say, well, if you are going to take off violence, then you are going to have to remove Bosnia from the television news.

The reality is that violence on the news does not glamorize violence. Entertainment violence glamorizes violence.

Those with whom we identify, the heroes or heroines on television, do not suffer as a result of this.

Finally, Mr. President, I want to quote from Dr. Carole Lieberman, who, as I recall, is a psychiatrist who wrote in the *Los Angeles Times*, "Violence: Merely Entertaining or Mainly Evil," and she has these two comments:

We readily accept that children learn the alphabet from "Sesame Street", why can't we accept that they learn the ABCs of murder and mayhem from gratuitously violent entertainment?

Violence sells. So does crack cocaine. Does that make it O.K.?

Mr. President, this is an area where we have to be sensitive. I do not want Federal Government censorship but I think we have to recognize that part of the violence in our society comes from violence that we see in our homes on television, and the industry has the opportunity and I think the responsibility to do something about it.

Congress has given them a 3-year window of opportunity to come together to establish standards. I think they ought to come together and establish those standards. There is some activity—not enough activity.

Mr. President, I hope we can get some more constructive action on the part of the television industry.

EXHIBIT 1

[From *JAMA*, June 10, 1992]

TELEVISION AND VIOLENCE—THE SCALE OF THE PROBLEM AND WHERE TO GO FROM HERE
(By Brandon S. Centerwall, MD, MPH)

In 1975, Rothenberg's Special Communication in *JAMA*, "Effect of Television Violence on Children and Youth," first alerted the medical community to the deforming effects the viewing of television violence has on normal child development, increasing levels of physical aggressiveness and violence.¹ In response to physicians' concerns sparked by Rothenberg's communication, the 1976 American Medical Association (AMA) House of Delegates passed Resolution 38: "The House declares TV violence threatens the health and welfare of young Americans, commits itself to remedial actions with interested parties, and encourages opposition to TV programs containing violence and to their sponsors."²

Other professional organizations have since come to a similar conclusion, including the American Academy of Pediatrics and the American Psychological Association.³ In light of recent research findings, in 1990 the American Academy of Pediatrics issued a policy statement: "Pediatricians should advise parents to limit their children's television viewing to 1 to 2 hours per day."⁴

Rothenberg's communication was largely based on the findings of the 1968 National Commission on the Causes and Prevention of Violence⁵ and the 1972 Surgeon General's report, "Television and Growing Up: The Impact of Televised Violence."⁶ Those findings were updated and reinforced by the 1982 report of the National Institute of Mental

Footnotes at end of article.

Health, "Television and Behavior: Ten Years of Scientific Progress and Implications for the Eighties," again documenting a broad consensus in the scientific literature that exposure to television violence increases children's physical aggressiveness.⁷ Each of these governmental inquiries necessarily left open the question of whether this increase in children's physical aggressiveness would later lead to increased rates of violence. Although there had been dozens of laboratory investigations and short-term field studies (3 months or less), few long-term field studies (2 years or more) had been completed and reported. Since the 1982 National Institute of Mental Health report, long-term field studies have come into their own, some 20 having now been published.⁸

In my commentary, I discuss television's effects within the context of normal child development; give an overview of natural exposure to television as a cause of aggression and violence; summarize my own research findings on television as a cause of violence; and suggest a course of action.

TELEVISION IN THE CONTEXT OF NORMAL CHILD DEVELOPMENT

The impact of television on children is best understood within the context of normal child development. Neonates are born with an instinctive capacity and desire to imitate adult human behavior. That infants can, and do, imitate an array of adult facial expressions has been demonstrated in neonates as young as a few hours old, ie, before they are even old enough to know cognitively that they themselves have facial features that correspond with those they are observing.^{9,10} It is a most useful instinct, for the developing child must learn and master a vast repertoire of behavior in short order.

Whereas infants have an instinctive desire to imitate observed human behavior, they do not possess an instinct for gauging a priori whether a behavior ought to be imitated. They will imitate anything,¹¹ including behaviors that most adults would regard as destructive and antisocial. It may give pause for thought, then, to learn that infants as young as 14 months of age demonstrably observe and incorporate behaviors seen on television (Fig 1).^{12,13} (Looking ahead, in two surveys of young male felons imprisoned for committing violent crimes, eg, homicide, rape, and assault, 22 to 34 percent reported have consciously imitated crime techniques learned from television programs, usually successfully.¹⁴)

[Tables not reproducible in the RECORD.]

As of 1990, the average American child aged 2 to 5 years was watching over 27 hours of television per week.¹⁵ This might not be bad, if young children understood what they are watching. However, up through ages 3 and 4 years, many children are unable to distinguish fact from fantasy in television programs and remain unable to do so despite adult coaching.¹⁶ In the minds of such young children, television is a source of entirely factual information regarding how the world works. Naturally, as they get older, they come to know better, but the earliest and deepest impressions were laid down when the child saw television as a factual source of information about a world outside their homes where violence is a daily commonplace and the commission of violence is generally powerful, exciting, charismatic, and efficacious. Serious violence is most likely to erupt at moments of severe stress—and it is precisely at such moments that adolescents and adults are most likely to revert to their earliest, most visceral sense of what violence is and what its role is in society. Much of this sense will have come from television.

Not all laboratory experiments and short-term field studies demonstrate an effect of media violence on children's behavior, but most do.^{17,18} In a recent meta-analysis of randomized, case-control, short-term studies, exposure to media violence caused, on the average, a significant increase in children's aggressiveness as measured by observation of their spontaneous, natural behavior following exposure ($P < .05$).¹⁹

NATURAL EXPOSURE TO TELEVISION AS A CAUSE OF AGGRESSION AND VIOLENCE

In 1973, a small Canadian town (called "Notel" by the investigators) acquired television for the first time. The acquisition of television at such a late date was due to problems with signal reception rather than any hostility toward television. Joy et al²⁰ investigated the impact of television on this virgin community, using as control groups two similar communities that already had television. In a double-blind research design, a cohort of 45 first- and second-grade students were observed prospectively over a period of 2 years for rates of objectively measured noxious physical aggression (eg, hitting, shoving, and biting). Rates of physical aggression did not change significantly among children in the two control communities. Two years after the introduction of television, rates of physical aggression among children in Notel had increased by 160 percent ($P < .001$).

In a 22-year prospective study of an age cohort in a semirural US county ($N=875$), Huesmann²¹ observed whether boys' television viewing at age 8 years predicted the seriousness of criminal acts committed by age 30. After controlling for the boys' baseline aggressiveness, intelligence, and socioeconomic status at age 8, it was found that the boys' television violence viewing at age 8 significantly predicted the seriousness of the crimes for which they were convicted by age 30 ($P < .05$).

In a retrospective case-control study, Kruttschnitt et al²² compared 100 male felons imprisoned for violent crimes (eg, homicide, rape, and assault) with 65 men without a history of violent offenses, matching for age, race, and census tract of residence at age 10 to 14 years. After controlling for school performance, exposure to parental violence, and baseline level of criminality, it was found that the association between adult criminal violence and childhood exposure to television violence approached statistical significance ($P < .10$).

All Canadian and US studies of the effect of prolonged childhood exposure to television (2 years or more) demonstrate a positive relationship between earlier exposure to television and later physical aggressiveness, although not all studies reach statistical significance.⁸ The critical period of exposure to television is preadolescent childhood. Later variations in exposure, in adolescence and adulthood, do not exert any additional effect.^{23,24} However, the aggression-enhancing effect of exposure to television is chronic, extending into later adolescence and adulthood.^{8,25} This implies that any interventions should be designed for children and their caregivers rather than for the general adult population.

These studies confirm what many Americans already believe on the basis of intuition. In a national opinion poll, 43 percent of adult Americans affirm that television violence "plays a part in making America a violent society," and an additional 37 percent find the thesis at least plausible (only 16 percent frankly disbelieve the proposition).²⁶ But how big a role does it play? What is the

effect of natural exposure to television on entire populations? To address this issue, I took advantage of an historical experiment—the absence of television in South Africa prior to 1975.^{8,25}

TELEVISION AND HOMICIDE IN SOUTH AFRICA, CANADA, AND THE UNITED STATES

The South African government did not permit television broadcasting prior to 1975, even though South African whites were a prosperous, industrialized Western society.⁸ Amidst the hostile tensions between the Afrikaner and English white communities, it was generally conceded that any South African television broadcasting industry would have to rely on British and American imports to fill out its programming schedule. Afrikaner leaders felt that that would provide an unacceptable cultural advantage to the English-speaking white South Africans. Rather than negotiate a complicated compromise, the Afrikaner-controlled government chose to finesse the issue by forbidding television broadcasting entirely. Thus, an entire population of 2 million whites—rich and poor, urban and rural, educated and uneducated—was nonselectively and absolutely excluded from exposure to television for a quarter century after the medium was introduced into the United States. Since the ban on television was not based on any concerns regarding television and violence, there was no self-selection bias with respect to the hypothesis being tested.

To evaluate whether exposure to television is a cause of violence, I examined homicide rates in South Africa, Canada, and the United States. Given that blacks in South Africa live under quite different conditions than blacks in the United States, I limited the comparison to white homicide rates in South Africa and the United States and the total homicide rate in Canada (which was 97 percent white in 1951). Data analyzed were from the respective government vital statistics registries. The reliability of the homicide data is discussed elsewhere.⁸

Following the introduction of television into the United States, the annual white homicide rate increased by 93 percent, from 3.0 homicides per 100,000 white population in 1945 to 5.8 per 100,000 in 1974; in South Africa, where television was banned, the white homicide rate decreased by 7 percent, from 2.7 homicides per 100,000 white population in 1943 through 1948 to 2.5 per 100,000 in 1974 (Fig. 2). As with US whites, following the introduction of television into Canada the Canadian homicide rate increased by 92 percent, from 1.3 homicides per 100,000 population in 1945 to 2.5 per 100,000 in 1974 (Fig. 3).

For both Canada and the United States, there was a lag of 10 to 15 years between the introduction of television and the subsequent doubling of the homicide rate (Figs 2 and 3). Given that homicide is primarily an adult activity, if television exerts its behavior-modifying effects primarily on children, the initial "television generation" would have had to age 10 to 15 years before they would have been old enough to affect the homicide rate. If this were so, it would be expected that, as the initial television generation grew up, rates of serious violence would first begin to rise among children, then several years later it would begin to rise among adolescents, then still later among young adults, and so on. And that is what is observed.⁸

In the period immediately preceding the introduction of television into Canada and the United States, all three countries were multiparty, representative, federal democracies with strong Christian religious influ-

ences, where people of nonwhite races were generally excluded from political power. Although television broadcasting was prohibited prior to 1975, white South Africa had well-developed book, newspaper, radio, and cinema industries. Therefore, the effect of television could be isolated from that of other media influences. In addition, I examined an array of possible confounding variables—changes in age distribution, urbanization, economic conditions, alcohol consumption, capital punishment, civil unrest, and the availability of firearms.⁸ None provided a viable alternative explanation for the observed homicide trends. For further details regarding the testing of the hypothesis, I refer the reader to the published monograph⁸ and commentary.²⁵

A comparison of South Africa with only the United States (Fig 2) could easily lead to the hypothesis that US involvements in the Vietnam War or the turbulence of the civil rights movement was responsible for the doubling of homicide rates in the United States. The inclusion of Canada as a control group precludes these hypotheses, since Canadians likewise experienced a doubling of homicide rates (Fig 3) without involvement in the Vietnam War and without the turbulence of the US civil rights movement.

When I published my original paper in 1989, I predicted that white South African homicide rates would double within 10 to 15 years after the introduction of television in 1975, the rate having already increased 56 percent by 1983 (the most recent year then available).⁸ As of 1987, the white South African homicide rate had reached 5.8 homicides per 100,000 white population, a 130-percent increase in the homicide rate from the rate of 2.5 per 100,000 in 1974, the last year before television was introduced.²⁷ In contrast, Canadian and white US homicide rates have not increased since 1974. As of 1987, the Canadian homicide rate was 2.2 per 100,000, as compared with 2.5 per 100,000 in 1974.²⁸ In 1987, the US white homicide rate was 5.4 per 100,000, as compared with 5.8 per 100,000 in 1974.²⁹ (Since Canada and the United States became saturated with television by the early 1960s [Figs 2 and 3], it was expected that the effect of television on rates of violence would likewise reach a saturation point 10 to 15 years later.)

It is concluded that the introduction of television in the 1950s caused a subsequent doubling of the homicide rate, ie, long-term childhood exposure to television is a causal factor behind approximately one half of the homicides committed in the United States, or approximately 10,000 homicides annually. Although the data are not as well developed for other forms of violence, they indicate that exposure to television is also a causal factor behind a major proportion—perhaps one half—of rapes, assaults, and other forms of interpersonal violence in the United States.⁸ When the same analytic approach was taken to investigate the relationship between television and suicide, it was determined that the introduction of television in the 1950s exerted no significant effect on subsequent suicide rates.³⁰

To say that childhood exposure to television and television violence is a predisposing factor behind half of violent acts is not to discount the importance of other factors. Manifestly, every violent act is the result of an array of forces coming together—poverty, crime, alcohol and drug abuse, stress—of which childhood exposure to television is just one. Nevertheless, the epidemiologic evidence indicates that if, hypothetically, television technology had never been devel-

oped, there would today be 10,000 fewer homicides each year in the United States, 70,000 fewer rapes, and 700,000 fewer injurious assaults.^{25, 31}

WHERE TO GO FROM HERE

In the war against tobacco, the tobacco industry is the last group from whom we expect any meaningful action. If someone were to call on the tobacco industry to cut back tobacco production as a matter of social conscience and out of concern for the public health, we would regard that person as being at least simple-minded, if not frankly degraded. Oddly enough, however, people have persistently assumed that the television industry operates by a higher standard of morality than the tobacco industry—that it is useful to appeal to its social conscience. This was true in 1969 when the National Commission on the Causes and Prevention of Violence published its recommendations for the television industry.³² It was equally true in 1989 when the U.S. Congress passed a television anti-violence bill that granted television industry executives the authority to confer on the issue of television violence without being in violation of antitrust laws.³³ Even before the law was fully passed, the four networks stated that they had no intention of using this antitrust exemption to any useful end and that there would be no substantive changes in programming content.³⁴ They have been as good as their word.

Cable aside, the television industry is not in the business of selling programs to audiences. It is in the business of selling audiences to advertisers. Issues of "quality" and "social responsibility" are entirely peripheral to the issue of maximizing audience size within a competitive market—and there is no formula more tried and true than violence for reliably generating large audiences that can be sold to advertisers. If public demand for tobacco decreases by 1 percent, the tobacco industry will lose \$250 million annually in revenue.³⁵ Similarly, if the television audience size were to decrease by 1 percent, the television industry would stand to lose \$250 million annually in advertising revenue.³⁵ Thus, changes in audience size that appear trivial to you and me are regarded as catastrophic by the industry. For this reason, industry spokespersons have made innumerable protestations of good intent, but nothing has happened. In over 20 years of monitoring levels of television violence, there has been no downward movement.^{36, 37} There are no recommendations to make to the television industry. To make any would not only be futile but create the false impression that the industry might actually do something constructive.

The American Academy of Pediatrics recommends that pediatricians advise parents to limit their children's television viewing to 1 to 2 hours per day.⁴ This is an excellent point of departure and need not be limited to pediatricians. It may seem remote that a child watching television today can be involved years later in violence. A juvenile taking up cigarettes is also remote from the dangers of chronic smoking, yet those dangers are real, and it is best to intervene early. The same holds true regarding television-viewing behavior. The instruction is simple: For children, less TV is better, especially violent TV.

Symbolic gestures are important, too. The many thousands of physicians who gave up smoking were important role models for the general public. Just as many waiting rooms now have a sign saying, "This Is a Smoke-Free Area" (or words to that effect), so likewise a sign can be posted saying, "This Is a

Television-Free Area." (This is not meant to exclude the use of instructional videotapes.) By sparking inquiries from parents and children, such a simple device provides a low-key way to bring up the subject in a clinical setting.

Children's exposure to television and television violence should become part of the public health agenda, along with safety seats, bicycle helmets, immunizations, and good nutrition. One-time campaigns are of little value. It needs to become part of the standard package: Less TV is better, especially violent TV. Part of the public health approach should be to promote child-care alternatives to the electronic baby-sitter, especially among the poor who cannot afford real baby-sitters.

Parents should guide what their children watch on television and how much. This is an old recommendation³² that can be given new teeth with the help of modern technology. It is now feasible to fit a television set with an electronic lock that permits parents to preset which programs, channels, and times they wish the set to be available for; if a particular program or time of day is locked, the set won't turn on for that time or channel.³⁸ The presence of a time-channel lock restores and reinforces parental authority, since it operates even when the parents are not at home, thus permitting parents to use television to their family's best advantage. Time-channel locks are not merely feasible, but have already been designed and are coming off the assembly line (eg, the Sony XBR).

Closed captioning permits deaf and hard-of-hearing persons access to television. Recognizing that market forces alone would not make closed-captioning technology available to more than a fraction of the deaf and hard-of-hearing, the Television Decoder Circuitry Act was signed into law in 1990, requiring that, as of 1993, all new television sets (with screens 33 cm or larger, ie, 96 percent of new television sets) be manufactured with built-in closed-captioning circuitry.³⁹ A similar law should require that eventually all new television sets be manufactured with built-in time-channel lock circuitry—and for a similar reason. Market forces alone will not make this technology available to more than a fraction of households with children and will exclude poor families, the ones who suffer the most from violence. If we can make television technology available that will benefit 24 million deaf and hard-of-hearing Americans,³⁹ surely we can do no less for the benefit of 50 million American children.³⁵

Unless they are provided with information, parents are ill-equipped to judge which programs to place off-limits. As a final recommendation, television programs should be accompanied by a violence rating so parents can gauge how violent a program is without having to watch it. Such a rating system should be quantitative and preferably numerical, leaving aesthetic and social judgments to the viewers. Exactly how the scale ought to be quantified is less important than that it be applied consistently. Such a rating system would enjoy broad popular support: In a national poll, 71 percent of adult Americans favor the establishment of a violence rating system for television programs.⁴⁰

It should be noted that none of these recommendations impinges on issues of freedom of speech. That is as it should be. It is not reasonable to address the problem of motor vehicle fatalities by calling for a ban on cars. Instead, we emphasize safety seats, good traffic signs, and driver education. Similarly, to address the problem of violence

caused by exposure to television, we need to emphasize time-channel locks, program rating systems, and education of the public regarding good viewing habits.

FOOTNOTES

¹Rothenberg MB. Effect of television on children and youth. *JAMA*. 1975;234:1043-1046.

²American Medical Association. Proceedings of the House of Delegates, June-July, 1976. Chicago, Ill: American Medical Association; 1976:280.

³Zylke JW. More voices join medicine in expressing concern over amount, content of what children see on TV. *JAMA*. 1988;260:1831-1832.

⁴American Academy of Pediatrics, Committee on Communications. Children, adolescents, and television. *Pediatrics*. 1990;85:1119-1120.

⁵Baker RK, Ball SJ, eds. "Violence and the Media: A Staff Report to the National Commission on the Causes and Prevention of Violence." Washington, DC: US Government Printing Office; 1969.

⁶Surgeon General's Scientific Advisory Committee on Television and Social Behavior. "Television and Growing Up: The Impact of Televised Violence." Washington, DC: US Government Printing Office; 1972.

⁷Pearl D, Bouthilet L, Lazar J, eds. "Television and Behavior: Ten Years of Scientific Progress and Implications for the Eighties." Rockville, Md: National Institute of Mental Health; 1982.

⁸Centerwall BS. Exposure to television as a cause of violence. In: Comstock G, ed. "Public Communication and Behavior." Orlando, Fla: Academic Press Inc; 1989;2:1-58.

⁹Meltzoff AN, Moore MK. Newborn infants imitate adult facial gestures. *Child Dev*. 1983;54:702-709.

¹⁰Meltzoff AN, Moore MK. Imitation in newborn infants: exploring the range of gestures imitated and the underlying mechanism. *Dev Psychol*. 1989; 25:954-962.

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Mr. SIMON. Mr. President, if no one else seeks the floor, I request the presence of a quorum.

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

The legislative clerk proceeded to call the roll.

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

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

The Senator from Texas is recognized.

Mr. BENTSEN. I thank the Chair.

(The remarks of Mr. BENTSEN pertaining to the introduction of S. 2909 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

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

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

The assistant legislative clerk proceeded to call the roll.

Mr. BIDEN. 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. BIDEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BIDEN. Are we in morning business?

The PRESIDING OFFICER. The Senator is correct.

Mr. BIDEN. Mr. President, I ask unanimous consent to be able to proceed in morning business for as much time as I may take or for an hour and half.

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

AMERICAN AGENDA FOR THE NEW WORLD ORDER: A CEMENTING THE DEMOCRATIC FOUNDATION; B. FORGING A NEW STRATEGY OF CONTAINMENT

Mr. BIDEN. Mr. President, yesterday, in the first of three addresses on the new world order, I sought to cast that concept in historical perspective.

Today I shall begin to describe a four-part American agenda that I believe can give meaning to this concept in the decade that will carry us into the 21st century.

The construction of a cooperative world order, I argued yesterday, is a quintessential American idea that traces to the grand vision championed by President Woodrow Wilson, whose revolutionary proposals were in turn rooted in the precepts of our Founding Fathers.

It seems appropriate for me that the Presiding Officer is the Senator from Pennsylvania, whom I have known for years as a practitioner, as an academic, as a university president, and now a U.S. Senator. He has labored long and hard in the vineyard of international relations in an attempt to lay out for this country what the world order should look like and what role the United States should play in it. So, I am particularly pleased that Senator WOFFORD happens to be in the chair today to give some assessment to what the Senator from Delaware has to say.

I hold that it falls to this generation of Americans to complete the task that Woodrow Wilson began.

Although President Bush introduced the phrase new world order into our vernacular some 2 years ago, he has behaved as if the concept is alien.

Our current President and his administration have shown neither the aptitude nor the will to infuse this idea with meaning through coherent agenda for action.

My theme is that we must rescue this concept from negligence and pursue an active new world order agenda.

For the opportunity America confronts today—to fulfill Wilson's vision of a world of cooperating democracies—comes to us not as a luxurious option we can forgo with impunity, but as an imperative without alternatives.

As mankind advances toward the third millennium, we face problems on a planetary scale, problems arising from the spread of industrial tech-

nology and the spread of humanity itself.

These problems—of daunting magnitude and complexity—pose a challenge that mankind can meet only through rigorous cooperation among nations.

The imperative to cooperate carries with it another imperative: that America lead the world into the 21st century as boldly as it led the West in a half-century of cold war.

In the decisive years ahead—years that will determine the very nature of life on our planet—international cooperation on the scale necessary will succeed only if the world's preeminent nation assume that mantle of visionary leadership.

Conservatives who are instinctively disdainful of the very idea of multilateral cooperation can be relied upon to contort the concept into the specter of a multinational, socialistic bureaucracy that would steal our sovereignty, regulate our lives, and depress our economies. These habitual distortions must be overcome.

The call for cooperation is precisely that, a call for intensified, global cooperation: in scientific research and education; in the establishment of agreed standards, incentives, and procedures relating to the preservation of animals, plants, and vital resources; in treaties to control dangerous arms and dangerous pollution; in international peacekeeping and the deterrence and defeat of military aggression; in the development and transfer of sound technologies for sustainable economic growth.

Cooperation does not mean the loss of American sovereignty. It means exercising our sovereignty in joint actions to protect our interests and ultimately American's survival as a flourishing society.

Where cooperation takes us on a difficult path, we must liken that choice to the decision to wage war when we choose sacrifice now so that our Nation may later be secure for its children.

Three-quarters of a century ago in the wake of the great war that devastated all of Europe, Woodrow Wilson advanced the concept of collective security not as a utopian ideal. But as the only practical means by which nations could in the modern age ensure their own security.

Wilson's predominant aim was to defend the principles of democracy and self-determination by enacting a multinational barrier against potential aggressors—those who would impose their will upon others by military force. President Wilson's warnings proved tragically prescient and his concerns remain relevant today.

But on the eve of the 21st century basic facts of life on Earth—alarming facts we may wish to deny but which are undeniable—require us to expand our understanding of security.

Collective security today must encompass not only the security of nations but also mankind's security in a global environment that has proven vulnerable to debilitating changes wrought by mankind's own endeavors.

Collective security today must mean security against direct assault—and security against indirect assault through environmental degradation.

Thus, in setting an American agenda for a new world order, we must begin with a profound alteration in traditional thought—in the habit of thinking embodied in the terms "political," "military" and "economic."

Politically, we must learn to gauge our national policies in their effect on global cooperation, and to evaluate our national leaders in their capacity to engender that cooperation.

Militarily, we must think of national defense as relying on strong American Armed Forces, but also, in equal measure, on our ability to generate actions of prevention and response by the entire world community.

And, most fundamentally, we must now see economics not only as the foundation of our national strength but also as embracing the protection of our global environment, for economics and the environment have become inseparable.

No longer can the world's environment be an afterthought for national leaders a rhetorical grace note embellishing themes of public policy, that are viewed wrongly—as more fundamental.

The concepts of ecosystem and biosphere, far from being esoteric, must become integral to all national policies and be accorded the highest priority on the international agenda.

Even if we cannot detect it in the behavior of the Bush administration, the conclusive litmus test of our success in achieving a new world order will be our ability to manage, through multilateral cooperation, the panoply of threats to the global environment.

With that preface, I propose today the outline of a four-part American agenda: directed, politically, at cementing the democratic foundation of a new world order; directed, militarily, at protecting world peace through a new strategy of containment designed to stop the proliferation of dangerous weapons; directed, again militarily, at fortifying this containment strategy with an expanded commitment to secure the peace by collective military action where necessary; and, finally, directed, in the economic-environmental realm, at launching a concerted, full-scale multilateral effort to promote and reconcile—the broadening of global prosperity and the preservation of our global environment.

CEMENTING THE DEMOCRATIC FOUNDATION

The first part of our agenda, "cementing the democratic foundation," consists primarily in overcoming the geopolitical legacy of communism.

The components of this central task are twofold: to buttress stable democracy in the former Soviet empire and to champion the cause of democracy in China.

To focus on the great Communist tyrannies is not to ignore, or even discount, the cause of democracy elsewhere.

Nor is it to accept the absurd conceit embraced by the Reagan administration: that rightwing dictatorships are more benign than those of the left and uniquely able to evolve toward democracy.

Perhaps the sturdy Reaganauts lacked a perspective they might have gained from closer exposure to the torture chambers of the world's military juntas and other bastions of the right.

The Reaganauts may even have reconsidered after witnessing the spontaneous collapse of the Soviet empire and its dissolution into 20 independent nations, most of them emerging democracies.

Priority attaches to the two great citadels of communism for the very reason that America waged the cold war: because that dangerous and debilitating ideology has controlled nations of tremendous geopolitical weight.

Today, with the Communist world engaged in, or on the brink of, democratic change, we must advance to the policy that was always implicit in our strategy of containment.

Whereas our goal over 40 years was to check and repel, our aim now must be to include and integrate.

If successfully accomplished, the integration of these states into the community of democratic nations would establish solid bedrock on which to build the new world order.

The joining of the second world to the first would complete the new order's foundation: Bringing the world's major nations into a concert of cooperating democracies.

As to China, global statistics underscore the potential significance of a democratic transition in that nation.

By the analysis of Freedom House, a widely respected source, the world's present population of 5.4 billion divides along a political fault line—between some 68 percent of people living in conditions that can be described as "free" or "partly free," and 32 percent who are unprotected by basic institutions of democracy.

Were China to undertake the democratic reforms that huge numbers of its citizens so clearly crave, the percentage of the planet's population living in full or partial democracy would rise to the historically unprecedented, almost astonishing, level just under 90 percent.

Until such change occurs, China will remain history's final bastion of the totalitarian idea.

Its pathetic gerontocracy, brutally in control of one-fifth of humanity, hov-

ers on the world scene as an anachronistic menace, possessed of a nuclear arsenal unconstrained by international commitment, unreliable as a diplomatic partner, and recklessly dispensing on the world market advanced weapons technology that may yet produce an international catastrophe.

For their part, the countries of the former Soviet empire—the eight nations of Central and Eastern Europe and the 12 former Soviet Republics—have already escaped the nondemocratic category defined by Freedom House.

But success in this transition is by no means assured. Plagued by decades of economic mismanagement and lacking strong democratic traditions, these countries remain vulnerable to relapse into tyranny. Their future is pivotal to our hope for a new world order and American security.

With a successful transformation to free-market democracy, these states will be joined in a fabric of European civilization extending from the Atlantic to the Urals and beyond, across the continental sweep of the Russian Republic.

If transformation fails, the world community faces not only lost opportunity, but also the direct danger of chaos and civil war—perils rendered incalculable by the same Soviet nuclear arsenal that for years has posed a threat to all humanity.

Our priority on democracy in the former Soviet empire and China does not, it bears emphasis, entail neglect of democracy's cause elsewhere.

Where America can be influential, we should employ that influence as a matter of principle as well as geopolitics—and with vigor, generosity, and confidence.

A prominent moral imperative is South Africa. There, the monstrous stain of apartheid has, at long last, begun to dissolve—

A process hastened by the economic sanctions imposed by Congress over the adamant objection of a Reagan administration that had adopted a collaborationist policy called constructive engagement.

Elsewhere in Africa, and in Asia and Latin America as well, the United States should never fail to align itself with, and help to propel, history's continuing winds of change.

With new democracies that have only tentatively taken root we should foster active partnership.

Against the world's remaining dictatorships, we should take our stand with none of the exceptions or equivocations of past realpolitik.

But Mr. President, if American foreign policy once compromised these principles in the name of cold war competition, such compromise no longer has any rationale.

In the Middle East, the cause of democracy warrants particular American concern.

There, our interest in regional stability—the kind of long-term stability only democracy can ensure—is both moral and practical, centering on a humanitarian interest in Israel's security and an economic interest in world oil supplies.

Great words, including new world order, were spoken as the United States went to war against Saddam Hussein, and in the war's aftermath, the administration undertook the grand objective of Arab-Israeli peace.

Yet, with Kuwait's Emir safely restored to his throne and notwithstanding its efforts to foster Arab-Israeli dialog, the administration has pursued a policy hardly more complicated than more pressure on Israel and more arms sales to the Arabs.

Having saved the oil monarchs the President has failed to exercise even the power of suasion to induce them to distribute their wealth more wisely or to introduce the most gradual democratic reforms.

Nor is the failure simply a matter of omission. It is a conscious and purposeful policy.

Last year I offered a modest proposal that would have required the President in connection with major arms sales to the Middle East, to certify to Congress that the purchasing country had made progress in the building of democratic institutions.

Although I included a so-called "national security waiver" that would have enabled the President to make sales even without progress, the White House threatened to veto this measure.

The Bush administration was adamant in opposing any effort to highlight the question of democracy in the very countries for which Americans had just been sent to fight and die.

So veiled have been our values, so perverse the aftermath of the war that Kuwaiti officials now dare to reproach the American Ambassador for his mere mention of democracy.

As this simple travesty symbolizes, we are—in the most volatile of the world's regions—engaged in the classic mistake of statecraft, and that is accepting the short-term status quo at the cost of our values and our long-term interests in stability.

But, Mr. President, it is in the central arena—American policy toward the former Soviet empire and China—that the Bush administration has been most glaringly weak in purpose and in action.

THE FORMER SOVIET EMPIRE

The collapse of the Soviet empire, beginning in central Europe and culminating in the disintegration of the Soviet Union itself, ranks among history's great watersheds—a moment that has challenged us to shape the future flow of world events.

As I hear some of my friends tepidly debate aid to Russia as if it is such a dangerous thing to suggest to the

American public I am reminded of all those in this Chamber who hailed the brilliant architects of our cold war strategy resulting in the collapse of the Soviet empire. I listen to those men and women on this Chamber floor who herald the brilliance of the creation of NATO, the Marshall plan, the world economic institutions and say therein were the seeds planted for the destruction of the Soviet empire and then lack the courage to come forward and make the case in stark terms that the interest of our children are at stake in the survival of democracy in the former Soviet Union.

I am reminded, Mr. President, only as a student of history, not a participant, in the late forties of a President, who, having great courage, stood before the American people and said: We are about to give massive amounts of aid to the country that just killed your son, your father, your brother, your daughter, your wife, your husband.

How popular must that have been? Where would the world have been had we had a President with the same conviction or lack thereof, that we have today, running the country in 1947, 1948, 1949, and 1950? How many of you think he would have gone back home to you and said, with only 16 percent of the American people supporting the Marshall plan, we must for the good of America and the safety of the world invest in the very nations we just spent billions of dollars decimating? Where would we have been but for the men and women, Republican as well as Democrat, with the courage to lead in a time of monumental change?

Mr. President, a half century ago, the Roosevelt and Truman administrations responded to such a moment with greatness; they were "present at the creation" as architects of a new era. The Bush administration, if not absent, has been little more than an onlooker. The administration's indecision in the face of historical challenge cannot be attributed to outside resistance. On the contrary, there has been a virtual consensus, within the United States and among our allies, as to the ends and means of a sound Western policy in the former Soviet satellites and the former Soviet State.

The central and agreed premise is that the great engine of transformation must be private initiative, and that our goal must be to foster the conditions and institutions necessary for a free economy and a free body politic to thrive.

In this task, there has been unanimity among western governments to rely primarily on the multilateral financial institutions. Led by the International Monetary Fund, and including the World Bank and the new European bank for reconstruction and development.

But reliance upon these agencies will leverage the American contribution,

draw upon valuable technical expertise, and help integrate the aid-recipient States within Western economies.

There is also consensus that the United States and others should supplement multilateral aid with direct assistance, primarily educational and professional exchanges, which can be cost-effective in building democratic institutions, and accelerating privatization through such fundamentals as the establishment of legal codes governing business practice, taxation, and property ownership.

The problem is one of implementation: Despite much talk of action, little has been done. Belying his claims to acute foreign policy skill, the President has been negligently slow—slow to see the revolution that Mikhail Gorbachev had begun.

The President was slow, once he did see it, to conceive and implement programs of transitional support for Eastern Europe and later the Soviet Republics.

Finally, this administration was slow to disengage from its embrace of Mikhail Gorbachev once it became clear that others, not Gorbachev, sought full democracy.

Only by sheer inadvertence, it seems, did President Bush possibly help to accelerate constructive change, when he delivered what one pundit dubbed as his "chicken kiev" speech. This speech to the Ukrainian Parliament, aimed at discouraging centrifugal forces, could only have inspired the reactionaries who just days later led the failed coup of August 1991.

It was the coupmakers' effort to prevent the independence of the Republics that brought Boris Yeltsin to the top of a tank and yielded the full and sudden collapse of the entire Soviet empire.

Meanwhile, both multilaterally and bilaterally, the administration has presented a portrait of listlessness, invoking prudence as a mask for lethargy and bureaucratic gridlock.

On the multilateral front, where the United States can pool its contribution with others for such key purposes as currency stabilization, the President has failed to exhibit the leadership simply to elicit congressional approval—including a majority in his own party—for our now 2-year-old pledge to the IMF to support that organization's basic functions.

The American share is a reasonable 19 percent of \$60 billion in world contributions, much of which could be used for post-Soviet aid. Rather than leading the IMF, the United States is the only major Nation now deficient, an embarrassing impediment at the very moment this organization is being called upon to perform a critical role in undergirding the post-Soviet democratic governments.

Bilaterally, the administration has been equally dilatory, not least in its near-paralysis in getting organized.

Consider this, from a Nation spending \$300 billion each year on national defense: as recently as February 1992, the United States had no diplomatic presence, formal or informal, in any of the former Soviet republics except Russia—none of the 11 others—with the sad exception of two lonely Foreign Service officers assigned to an apartment in Kiev.

Not until this spring did the President finally appoint a full-time coordinator for U.S. policy on the post-Communist transition.

The administration's frail response to Soviet collapse is evident also in its bilateral programs.

For 2 years, the Foreign Relations Committee has tried to grant the President authority to run low-cost exchanges throughout the crumbling Soviet state—to expand human contacts and knowledge of free-market democracy.

Yet, Mr. President, the administration steadily resisted, apparently in thrall to its two most dreaded fears: rightwing criticism and congressional initiative.

Even after submitting his own belated aid request this year, the President has only tepidly called for enactment.

Meanwhile, our only serious bilateral undertaking thus far—a program proposed by Senators NUNN and LUGAR to subsidize the dismantlement of Soviet nuclear weapons targeted on the United States—was enacted last fall in the face of determined indifference on the part of the administration.

Although the President later chose to claim credit for this initiative, the administration's actual implementation has been plodding.

Ultimately, in the emerging post-Soviet states, our most compelling purpose is to foster job-producing commerce—to prevent economic free-fall in the short term and to promote economic partnership in the long term.

To these ends, I have for 2 years urged creation of a network of American business centers, beginning in central Europe and extending eastward, as a cost-effective means to facilitate trade and investment in a challenging new environment.

Yet not until March of this year did the first American business center open in Warsaw.

Whereas the President reportedly plans no more, a vital administration would create a dozen in Russia alone.

CHINA

But if the Bush administration's post-Soviet policy has lacked energy, its China policy has lacked principle.

For the last 3 years, the Butchers of Beijing have had little to fear from Washington.

Seeking to keep open channels of communication, the President has opposed serious congressional effort to impose serious sanctions—or even to

link trade to more reasonable Chinese policies on human rights and the sale of dangerously destabilizing arms to the Middle East.

In resisting what could be a rewarding use of American economic leverage, the administration has rekindled a rare passion.

One it displayed earlier in opposing similar congressional efforts to enact sanctions against Saddam Hussein during the 2 years before the gulf war.

Future historians may well observe that opposition to sanctions against tyrants was the one subject that excited the Bush administration as much as its obsession with a cut in the tax on capital gains.

No one can expect that trade sanctions against Beijing would yield a sudden transformation of that regime.

But American foreign policy should leave no doubt, and the Bush administration has left much doubt, that the United States stands squarely on the side of China's brave and aspiring democrats.

Eventually, they will prevail—the democratic idea today is too powerful to resist—and we should do all possible to promote their early accession to power.

Our means may be limited, but this is a purpose we can well advance by helping to spread awareness of democratic values, and accurate news of contemporary events, among a vast Chinese public now denied such basic knowledge.

It is to this end that I wrote legislation creating the commission that is now studying the logistics of launching a Radio Free China.

In Europe, Freedom Radios played a historic role as instruments of information and inspiration, a role extolled by Vaclav Havel, Lech Walesa, and other champions of liberation, as they attest, that a constant current of reliable reporting—the steady breath of truth—helped to fan the flame of democracy in the hearts and minds of citizens throughout Eastern Europe and the Soviet Union, a flame that suddenly in 1989 became a torch and then a wildfire.

The China Commission's report to Congress this summer will set the stage for the enactment of legislation I will introduce this week—the Radio Free China Act—that will commence similar broadcasts into the People's Republic of China.

(Mr. LIEBERMAN assumed the chair.)

Modeled on Radio Free Europe and unlike worldwide networks such as the BBC and the Voice of America, the new radio will emphasize factual reporting about events within China.

Support for these broadcasts will place us where we belong:

On the right side of history, and unequivocally on the side of those Chinese democrats who will ultimately ac-

cede to power and with whom we must hope to cooperate in the building of a new world order.

Although we cannot cement the foundation of a new world order until democracy is secure in both China and the former Soviet Empire, we need not wait in beginning to shape the structure that will rest atop that foundation.

For even as they struggle to consolidate democracy, Russia and its neighbors have demonstrated a genuine interest in upgrading and mobilizing the institutions of the United Nations system.

Within the United Nations, the center of gravity has shifted dramatically in favor of cooperation.

For its part, as the sole remaining nondemocracy on the Security Council, China seems disinclined to highlight its status by acts of conspicuous obstructionism—and, where it is obstructionist, China should be challenged.

We therefore have both incentive and latitude to advance now on the three other parts of our new world order agenda.

FORGING A NEW STRATEGY OF CONTAINMENT

In the military realm, our agenda for a new world order is twofold:

To impose strict worldwide constraints on the transfer of weapons of mass destruction and to regularize the kind of collective military action the United Nations achieved ad hoc against Saddam Hussein.

Both items on this agenda—more effective prevention and more effective response—are rendered feasible by the close of the cold war.

The end of the expansionist Soviet threat enables us to refocus our energies on forging a new strategy of containment.

Directed not against a particular Nation or ideology, but against a more diffuse and intensifying danger—the danger that nuclear, chemical and biological weapons, and ballistic missiles to propel them, could pass into the hands of rogue-states or terrorists.

At the same time, Moscow's reincarnation as the capital of a democratic Russia raises the prospect of systematic big-power cooperation, under United Nations auspices, in deterring and defeating threats to world peace.

In short, the kind of expanded commitment to collective security envisaged by the United Nations' founders but blocked heretofore by cold war polarization.

Our pursuit of the first of these goals—a new strategy of containment—must begin with a concerted effort to be rid of the enormous nuclear arsenals the cold war begot.

Soviet nuclear warheads are perhaps best understood as more than 10,000 potential Hiroshimas.

Until they are safely dismantled or placed under new controls, the risk that civil strife in the former Soviet

Union could lead to a diversion or misuse of even a few of these devices will pose a severe hazard to the world.

Acting boldly to cope with this risk can yield dual benefit.

By joining with Moscow to demonstrate a post-cold war will to curtail our own immense armaments.

The United States can acquire added moral authority to lead others to accept the unprecedented constraints that a new strategy of containment will entail.

For both reasons—to reduce the threat that still inheres in the Soviet arsenal and to set an example that enhances the stature of American leadership in arms control worldwide—we must act decisively.

Curtailling existing arsenals of devastation must underpin a containment strategy aimed at preempting the menace of new arsenals.

The framework for this effort is the START Treaty, on which the Bush administration has for several months been engaged in clarifying obligations of the former Soviet Republics where nuclear weapons are currently deployed: Russia, Ukraine, Belarus, and Kazakhstan.

The outcome of these discussions—embodied in the so-called Lisbon protocol—has been satisfactory, assuming it can be implemented:

Russia will become the only nuclear power of the four Republics, and the other three are pledged to join the Nuclear Nonproliferation Treaty and thereby forswear nuclear weapons acquisition.

The question, then, is how Russia and America will handle their cold war nuclear arsenals.

As both sides recognize, the START Treaty is only what this acronym connotes, for the treaty's ceiling, limited each side to some 7,000-9,000 nuclear warheads, are as obsolete today as a statue of Lenin on a square in St. Petersburg, Budapest, or Prague.

Over recent weeks, both Russia and the United States called for further reduction, with the Bush administration proposing common ceilings of 4,700 and Moscow offering 2,500.

At the Yeltsin-Bush summit this month, the two Presidents compromised by agreeing to a second START Treaty. This new treaty—START II—would lower the two arsenals to levels of some 3,000-3,500 by the year 2003.

This step was constructive and, on the American side, much-heralded, since President Yeltsin agreed to ban land-based ICBM's with multiple warheads.

These missiles, the heart of the Soviet arsenal, have long been regarded as highly destabilizing because they combine extreme lethality with vulnerability to preemptive attack.

But the compelling issue is whether this scope of reduction—and this pace of reduction—are adequate.

Is it wise, in the post-cold-war era, to maintain this level of nuclear armament? And is it wise to set an entire decade as a timetable for reduction?

By placing ourselves now on this positive but modest path of reduction, are we incurring an avoidable danger and surrendering the opportunity for much more dramatic and valuable progress in curtailing the worldwide nuclear threat?

On the question of timing, it is true that the task of nuclear reduction is complicated by sheer technical difficulty.

Massive nuclear dismantlement has never before been on our agenda, and we lack the technology to accomplish it quickly.

But the principal barrier to deep cuts—the ideological animosity and distrust that characterized the cold war—has disappeared, yielding virtually unlimited opportunity if we will seize it.

For their part, Russian leaders seem willing to negotiate far deeper reductions than the President has yet been willing to contemplate.

They, more than the Bush administration, appear open to the kind of drastic cuts that would represent a fundamental reorientation away from excessive military expenditure and away from an illusory concept of power—a reorientation by which Moscow and Washington could together lead the world toward a more rational focus on mankind's truly menacing problems.

Unfortunately, the Bush Pentagon appears driven by an unreconstructed desire for unilateral advantage and a conviction that—even in a post-cold war world and regardless of whether others are willing to cut—the United States will have good use for literally thousands of nuclear warheads.

As a consequence, the new obstacle we face in achieving truly deep cuts in the Soviet nuclear arsenal, and containing the growth of other arsenals, is the Pentagon's rigid attachment to its own.

While this phenomenon was perhaps predictable, we cannot afford complacency while Pentagon planners develop new post-cold war rationales for maintaining what they will undoubtedly call a "robust U.S. nuclear arsenal for the 21st century."

Instead, our actions should be as revolutionary as the circumstances in which we find ourselves.

Seen from this perspective, the agreement to cut the START levels to a combined total of 7,000 warheads within a decade seems more a defense of existing arsenals than a radical change: The creation of a high floor rather than a low ceiling.

Our goals, I submit, should be far more ambitious:

We should seek a steady, mutual drawdown to a common ceiling of no

higher than 500 warheads, a goal we should waste no time in announcing.

We should propose the elimination not just of ICBM's with multiple warheads but most or all ballistic missiles, based on land and sea.

We should cut the gordian knot of difficult dismantlement by acting immediately to sequester all warheads to be eliminated.

We should act promptly to include Britain, France, and China in negotiations directed toward codification, under U.N. auspices, of a multilateral treaty stipulating limits and obligations for all nuclear states.

And we should announce our willingness to join in a comprehensive test ban treaty and a global ban on the production of weapons-grade fissile material.

As to the size and composition of the American and Russian arsenals, neither side should now hesitate to embrace the concept of minimum deterrence—that is, maintaining only the nuclear forces necessary to inflict a devastating retaliatory strike on any nation that might use weapons of mass destruction.

One of the saddest and costliest truths of the past half-century has been the systematic exaggeration of the utility of nuclear weapons. How else can one explain to a child the size of our current Armageddon arsenals?

American possession of a nuclear monopoly could not prevent the Soviet takeover of Eastern Europe in the 1940's, and nuclear weapons proved of no avail through our long agony in the Korean and Vietnam wars.

In the Cuban missile crisis, we prevailed not due to our so-called nuclear superiority, but because we held the upper hand in conventional force in our own hemisphere.

The definitive demonstration of nuclear impotence was the collapse of the Soviet Union.

Veritably brimming with missiles and warheads, the Soviet Army could not prevent the total dissolution of the very nation that had generated the world's most extravagant nuclear arsenal.

Indeed, it was the grand distortion of priorities embodied in that arsenal, as much as the inherent inefficiencies of the Communist economic system, that hastened the break-up of the Soviet empire.

Weapons that were presumed to confer strength instead contributed to fatal national weakness.

Ultimately, nuclear arms have a single value: Deterrence. But, for both America and Russia, this legitimate function clearly requires far fewer weapons than the vast arsenals we have accumulated.

Many of our nuclear theologians will be quick to denounce the notion of only 500 nuclear warheads on each side as a capitulation to naive thinking.

But I am not prepared to concede that the capacity to create 500 Hiroshimas in a single day is inadequate for retaliation.

What, I might ask, would they have us do on the second day, if we had more?

The elimination of most or all ballistic missiles would support the move to minimum deterrence, depriving both sides of a lightning-strike offensive capability but depriving neither side of the ability to retaliate using advanced aircraft.

In the past, the major rationale for a very large number of warheads was the danger that a ballistic missile attack could preempt many of our missiles and aircraft before launch or takeoff.

Sharply reducing the role of ballistic missiles would enable each side to be confident of its retaliatory capacity—and accomplish the aim of minimum deterrence—at even lower warhead levels.

Full elimination of ballistic missiles would almost surely require a multilateral treaty and global compliance.

But if the question is whether the United States would be better off in a world with no ballistic missiles capable of reaching our shores—the cost being the elimination of our own—surely the answer in principle is a resounding "Yes."

The safe sequestering of Russian and American warheads in special repositories could speed the arms reduction process.

This isolation of nuclear warheads could be accomplished by designating special sites on Russian and American territory, sponsored by the United Nations and guarded by U.N. forces including troops from both Russia and the United States.

The creation of these neutral holding points for weapons slated for dismantlement would not mean endangering sensitive technology.

These sites could be designed to give the host country full control over access to its own weapons during the dismantlement process.

Nor would it mean acting on trust. U.N. inspectors would join Russian and American inspectors in monitoring the pace of dismantlement, and U.N. troops would join Russian and American troops in acting, in effect, to quarantine the warheads so that they could never be removed, at least not without a use of force by the host government constituting a blatant act of treaty abrogation that would signify a total breakdown in relations.

With the innovation of U.N.-sponsored neutral storage, we would eliminate any argument, from Moscow or our own Pentagon, that prompt, deep reductions are technically impossible; we would hasten by years the transfer into safe hands of vulnerable Soviet warheads; and we would more quickly empower ourselves to insist that all

other nuclear states become parties to a multilateral regime of strict controls.

Unfortunately, such boldness seems a stranger to the Bush administration, which still rejects the idea of any agreement on warhead destruction.

Ebullient in cold war victory, the Bush Pentagon is so determined to deny Russian inspectors even a look at United States facilities that the American position now constitutes the major obstacle to an agreement on verified warhead dismantlement.

In the same vein, the administration insists, even now, on continued nuclear tests and continued production of the material of which nuclear weapons are made.

By traditional argument, testing helps to perfect the reliability and safety of our weapons. But at this juncture, what is our need for more reliable nuclear warheads?

Surely our safety lies not in maximizing the utility of our own arsenal but in minimizing the dangers posed by nuclear weapons in the hands of others.

Can anyone seriously argue that the United States would derive greater benefit from further nuclear testing than from seeing all other nations cease to do so?

As to fissile material, we have more than we know what to do with—a surplus that can only increase as weapons dismantlement proceeds.

Beyond the budgetary benefits, an American willingness to ban production would yield both valuable symbolism and the practical ability to challenge nations now on the edge of nuclear-weapons status to fulfill longstanding pledges to join in an enforceable global ban.

Achieving such agreement could begin with India, which has already pledged to join, and Pakistan, which has pledged to participate if India agrees.

Israel has made a similar pledge, as have most of the moderate Arab States.

Thus, simply by stating our readiness to forgo the production of fissile material for which we have no need, we could begin a diplomatic process of immense potential value.

The President of the United States should delay not a day in making two major announcements:

That America stands ready to join in a comprehensive test ban, and in a global ban on production of weapons-grade fissile material.

A demonstration of American leadership in sharply cutting our own arsenal, and forgoing further nuclear testing and further production of fissile material, would set the stage for a new nuclear era of cooperation and collective restraint, in which we could build on the notable achievements of recent years.

During the cold war, nonproliferation was deemed a second-order priority,

and its institutions have been little known or appreciated.

But now, with the containment of proliferation as our top national security priority, we must raise the profile of these efforts and reallocate resources from the building of weapons to preventing their spread.

The Nuclear Nonproliferation Treaty, the Nuclear Suppliers Group, the Missile Technology Control Regime, the Chemical Weapons Convention, the Biological Weapons Convention, the Coordinating Committee on Export Controls, and the Australia group that has imposed curbs on the sale of chemical and biological technology.

These dry names represent potent purposes. They are the essential tools of a global strategy of containment.

Intensification of these regimes—backed by teams of inspectors and a will to impose sanctions against violators—constitutes our best defense against the appearance of a new Saddam Hussein or the nightmare of terrorist blackmail.

Erecting this defense will require multiplying our financial support for such institutions as the International Atomic Energy Agency, whose inspectors we must regard as the front-line troops in a campaign of weapons containment as critical to our new era as was the containment of communism during the cold war.

But financial support is not enough. IAEA inspectors must be confident that the U.N. Security Council will take whatever action is necessary to enforce their inspection demands.

Most important, if containment fails, we must be prepared to use force to stop rogue nations like North Korea from presenting the world with a nuclear fait accompli.

The reality is that we can slow proliferation to a snail's pace if we stop irresponsible technology transfer, and fortunately nearly all suppliers are finally showing restraint.

The maverick is China, which has persisted in hawking highly sensitive weapons and technology to Syria, Iran, Iraq, Libya, Algeria, and Pakistan—while pledging otherwise.

While a nondemocratic China is unlikely to cooperate voluntarily in a strategy of containment, we have at hand the necessary lever to induce satisfactory Chinese behavior.

We may safely surmise that the Beijing government will not dissolve itself in response to a threat of economic sanctions.

But a targeted approach—tying continued Sino-American trade specifically to more responsible Chinese behavior in the sale of advanced weapons and weapons technology—would be a linkage that works.

This linkage would force Beijing to choose: between a third world arms market worth millions of dollars, and open trade with the United States from

which China will enjoy as much as a \$20 billion surplus this year.

Although we have convincing intelligence evidence that China's leaders fear, and would respond to, such leverage, President Bush has refused to challenge Beijing.

Until that policy is reversed, our strategy of containment will be vulnerable to dangerous leakage.

To buttress a new strategy of containment, we also need multilateral restraint in the conventional arms market.

Advanced technology has blurred old distinctions by rendering even so-called conventional weapons ever more lethal.

Recognizing this, Congress mandated the Bush administration in the aftermath of the gulf war to pursue negotiations toward a multilateral arms suppliers regime, an objective consistent with the President's rhetoric.

But what Congress cannot mandate is success, or even sincerity, in negotiations.

Talks among major suppliers—specifically, the U.N. Security Council's five permanent members—have thus far yielded no more than a trivial pledge to share information about sales already made, and a further demonstration of China's refusal to cooperate.

Meanwhile, what appeared after the gulf war as an opportunity to reduce transfers of armament to the Middle East has been converted by the international arms industry into an opportunity to sell even more.

The Bush administration itself is manifestly conflicted on conventional arms.

Directly amid American-sponsored talks on curtailing the sale of advanced conventional arms, the Pentagon began to subsidize the marketing of such weapons by U.S. industry.

In the past year alone, American arms sales to non-NATO countries totaled some \$38 billion, as government-to-government sales nearly doubled from the previous year.

This schizophrenia is plainly incompatible with the coherent United States leadership necessary if the world is now to rein in the proliferation of arms.

On advanced conventional arms as well as weapons of mass destruction, our concept of a rigorous containment strategy has far exceeded the Bush administration's actual conduct of policy.

Although largely a matter of will, this deficiency is in part a matter of organization.

Combating proliferation has never held priority in American foreign policy, as it now must.

Accordingly, the responsibility to promote, as well as the power to thwart, a concerted policy is dispersed among various agencies.

In hope of rectifying this defect, I will this week introduce the Weapons Proliferation Containment Act—legislation to consolidate central authority in the executive branch in what will amount to a nonproliferation czar.

Having first established central coordination and authority within the U.S. Government, this legislation then gives teeth to our nonproliferation policy by mandating that the American representative in each major multilateral organization vote to deny assistance to any nation that has violated specified standards or prohibitions in the supply or acquisition of weapons of mass destruction, ballistic missiles, and advanced conventional arms.

Our goal must be to imbue in American foreign policy—and to instill in the international community—a pervasive principle: that proliferation-supporting behavior by companies or nations is anathema, and subject to rigorous measures of detection and punishment.

Tomorrow, I shall describe another military dimension of America's new world order agenda: The need to organize more effectively to sustain an expanded commitment to collective military action—an idea first introduced to the world by Woodrow Wilson and rejected first by this Congress at the end of World War I, then put on hold by a cold war that made its implementation impossible, but now as a consequence of that cold war holds great promise for the future of the world.

And then, the final and most expansive part of our agenda: the launching of a worldwide economic-environmental revolution.

I thank my colleagues for listening. I thank my friend from Massachusetts, Senator KERRY, for waiting.

I yield the floor.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. Under the previous order, the Senator from Massachusetts is recognized to speak for up to 5 minutes.

Mr. KERRY. Mr. President, I ask unanimous consent that I be permitted to proceed in morning business for such time as I may need.

The PRESIDING OFFICER. Hearing no objection, that will be the order.

Mr. KERRY. Mr. President, I begin by congratulating my friend and colleague, the Senator from Delaware and colleague on the Foreign Relations Committee, for his very thoughtful analysis of a real new world order. The Senator has been leading the effort really to analyze the START agreement, and in his role as chairman of one of our subcommittees has long been watching and interested in the issue of an appropriate arms balance and a distribution of forces.

I think his statement is a very thoughtful one about the terrible inconsistency and almost hypocrisy of our current policy, at one time talking

about arms proliferation but engaging in the very policies that undercut it.

He is absolutely correct in having laid on an agenda for arms limitation, as well as control, as well as non-proliferation, as well as for peacekeeping. I congratulate him on his thoughtful speech.

Mr. BIDEN. Mr. President, I thank my colleague for his comments. I appreciate them very much.

LAWRENCE WALSH

Mr. KERRY. Mr. President, I rise to discuss another matter that has come to my attention yet again in the course of the last few weeks in a way that, frankly, bothered me personally, but just bothered me as a Senator and as a citizen.

I have been amazed that last week's indictment of former Defense Secretary Caspar Weinberger has led to a renewed barrage of criticism and even for some a kind of ridicule of the independent prosecutor, Lawrence Walsh. He has been accused of character assassination and of wasting large amounts of Government money on a scandal that the American people allegedly just do not care about. And because the polls do not show that this is a popular issue, I suppose some interpret immediately that it ought to go away.

Some people seem to want to choose all the issues in this country according to the polls. That appears to be one of the problems that we face in terms of leadership, or the lack thereof, at a time when this country is desperately crying out for leadership.

Many Congressmen and Senators alike have gone to the floor and made speeches criticizing Mr. Walsh and drawing conclusions about the accusatory process in ways that I think do not reflect well on this institution or on our real understanding of constitutional obligation in this country.

Critics particularly delight in pointing out that two principal convictions that have been obtained by the special prosecutor, those of Oliver North and John Poindexter, were subsequently overturned. I might point out there have been a total of 10 convictions, 2 of which were overturned on technical bases, which were totally out of the control of the special prosecutor.

But it seems to me that Mr. Walsh should not be the object of criticism. He ought to be the object of praise and of gratitude from this country.

Now I can guarantee you that Mr. Walsh does not need me or any other Senator to come to the floor and defend him for his defense of the Constitution and of the rule of law. But I am personally concerned about the growth of an attitude—a cynical attitude—that seems to indicate that independent counsel prosecutions must all be open and shut, quickly wrapped up, politically popular prosecutions or, if

not, somehow they are not worth pursuing.

If prosecuting the Iran-Contra affair were easy, we would not have needed a special prosecutor in the first place. But it is not easy. And I think that perhaps the principal reason it has not been easy is that there has been a concerted effort, from the beginning, right up until today, to deny information, documents, and facts to Congress and to the American people.

So, when Senators and Congressmen go to the floor to criticize Mr. Walsh, and they ask why has this taken so long? Why have we spent so much money? They ought to ask for the real answer to that question. The real answer to that question is because officials of the U.S. Government were unwilling to cooperate, unwilling to tell the truth, unwilling to produce information, and because our own system conspired to make it difficult for the special prosecutor.

I must say, I have never had anything but respect for the former Secretary of Defense, Mr. Weinberger. And he is innocent until proven guilty. I have always been treated cordially by him, and he is, clearly, a great public servant. It is my hope, perhaps for the country and for him, that he would be found not to have done that which he is accused of. And I hope for his family and for his sake that would be true.

But if it is not true—if it is not true, and if the charges were to stand up, then that would be one more documentation of a long series of documentation of precisely why this special prosecutor is still struggling and why he deserves the gratitude of the Nation for placing his convictions and his reputation beyond what is the quickly and easily popular in favor of standing up for principle and for obligation and for duty.

The fact is, Mr. Walsh has had to fight each and every step of the way to get information and documents from the executive branch. We know in documentation of how difficult this has been. Three individuals: Mr. Alan Fiers, Clair George, and Elliot Abrams, pled guilty to lying to investigators, including congressional investigators. Including, I might add, to this Senator.

When Government officials lie, they may be lying in response to a question from a Senator or a prosecutor. But in the end they are lying to the American people who we represent. And they are deceiving the entire system.

I have recently reread the testimony of Elliot Abrams, Clair George, Alan Fiers, and others to me and other Senators on October 10, 1986, in the wake of the Hasenfus crash. I was again impressed with the dissembling, obfuscation, and outright lies from them in response to straightforward questions from us.

For example, I asked the simple question—have you had contact with

General Secord? At the time, Secord was in operational charge of both Contra supply operations and the Iranian arms for hostage deal.

Elliot Abrams's reply was "I never met him."

Clair George's reply was "I know his name well * * * but I do not know the man."

This answer came at a time when Secord's involvement in running Contra supply operations had already been the subject of extensive discussion by officials of the State Department, CIA, and National Security Council.

I then asked the question, "Max Gomez, do you know whether or not he reports to or was hired by the Vice President of the United States?"

The truth, as we all know now, was that Max Gomez—a *nomme de guerre* for Felix Rodriguez—was indeed placed in Central America by the Vice President's office. In fact, on August 8, 1988, Felix had gone to Donald Gregg in Vice President Bush's office to complain about the state of the Contra supply efforts he was involved with. At the time, Felix warned Gregg that General Secord was ripping off the contras, and if they kept General Secord in place, it would, to quote Felix, be "worse than Watergate."

Felix's warning to Gregg was of sufficient concern that 4 days later, Gregg met with six other Government officials representing the National Security Council, the State Department, and the CIA—including Alan Fiers of the CIA—George's deputy—to discuss the problem between Max Gomez a.k.a. Felix Rodriguez and Richard Secord.

Yet in response to my question about whether Felix was reporting to the Vice President's office—Fiers did not say, oh yes, I discussed Felix with Don Gregg of the Vice President's office a few months back, instead, Fiers said:

Max Gomez * * * is an alias for an individual who was previously employed with us. But I don't know * * * I don't know who he is reporting to.

I asked the question again: "you don't know whether or not [Felix] reports to the Vice President of the United States?"

George's response was: "The Vice President? I don't know."

I asked again: "You don't know anything about that?"

Elliot Abrams replied, "I have never heard any suggestion of that." Elliot then added, "It really stretches credibility."

As North's notebooks showed, as notes taken by the Vice President's Security Advisor, Donald P. Gregg demonstrated, as Fiers later admitted, they all knew who Max Gomez was—his real name was Felix Rodriguez, formerly of the CIA. They knew he was sent to Central America by the Vice President's office. And they knew he was engaged in Contra supply operations. But instead of telling us what

they knew—given where it might lead—they lied.

Last week, Judge Walsh wrote a letter to the Congress setting out the terms of the final phase of his investigation. He told us that he is:

"Attempting to determine whether officials at the highest level of Government, acting individually or in concert, sought to obstruct official inquiries into the Iran initiative by the Tower Commission, the Congress, and independent counsel by withholding notes, documents and other information, by lying, and by supplying a false account of the 1985 arms sales from Israeli stocks and their replenishment by the United States."

Judge Walsh then set out the means by which his investigations to date have been frustrated, impeded, and stymied and stopped by officials in the Reagan and the Bush administration both.

In the letter, Judge Walsh advised us that he has not been able to prosecute—this is extraordinary, Mr. President—the independent counsel has advised the Congress of the United States that he has not been able to prosecute the basic operational crimes committed in the course of the Iran-Contra affairs due to National Security claims. For example, the Reagan and Bush administrations insisted on keeping documents classified that referred to matters that were already fully known in public—with the result that criminal cases had to be thrown out, as Judge Walsh explained, because you simply did not have the documents and the evidence to put into evidence, even though the evidence had been reported publicly previously.

Let me just read from Judge Walsh's letter to the Congress. "Classified information problems"—this is reading from page 5—"have also complicated Independent Counsel's prosecutions and consumed enormous time and energy."

So, when colleagues wonder why this has taken so long, they can look down the street to Pennsylvania Avenue and the agencies, and they will get their answer as to why this took so long.

Every line of every page of the thousands of pages of classified documents that might be used in trial by either the prosecution or the defense has had to undergo review by a group of declassification experts from several agencies. Claims of national security led to the dismissal of the central conspiracy charge against North, Poindexter, Secord, and Hakim. Attorney General Thornburgh's refusal to declassify publicly known but officially secret information forced the dismissal of the Government's entire case against former CIA Costa Rican station chief Joseph Fernandez, and more than a year's litigation was wasted.

Mr. President, we hear this tale again and again and again. In the POW-MIA that we are now investigating, we have the same problem of the fox guarding the chicken coop. The

very people that you are investigating have the right to be able to say whether or not a particular document is going to be made available to you.

In this particular case the very Government that was being investigated for crime was able to deny the person investigating them the information that would have allowed them to prosecute those crimes. So they were dismissed and there is barely a ripple, barely a ripple.

It seems to me that the blame for the length and the cost of this investigation does not fall at the feet of the special prosecutor; it falls at the feet of a system, a Congress, and an executive that have been unwilling to grapple with the issue of how we make classified information available and what the American people are really entitled to know.

I believe that the fault for the length of this investigation and the reason that we should praise the special prosecutor is that there are those who have stonewalled and stonewalled on this issue in the hopes that it will simply go away. And the blame, I believe, rests with those who, from the beginning, have sought to minimize the scope and seriousness of what the Iran-Contra affair was all about.

In last week's letter, Judge Walsh warned that he has now developed what he termed "new and disturbing evidence" regarding who participated in the Iran-Contra coverup. He warned that further indictments of high-level officials are possible over the rest of this summer.

Mr. President, Watergate brought down a Presidency, but I must say that Watergate was trivial compared to Iran-Contra. Iran-Contra was nothing less than an effort to subcontract the foreign policy of the United States of America to a bunch of professional arms smugglers, including notorious terrorists like Manzer al-Kassar, drug dealers like Manuel Noriega, and nut cases like polygraph-failing Manchuer Ghorbanifar. It revolved around a scheme to sell weapons to a government responsible for murdering hundreds of American Marines, holding Americans hostage and supporting international terrorists around the world. It involved a specific, planned effort within the White House to evade both the letter and spirit of U.S. law, and it betrayed publicly stated American commitments to isolate terrorist States and to punish—not reward—those who take hostages.

A Democratic government simply cannot survive without public trust and we are increasingly seeing public trust challenged in our own country. From Vietnam to Watergate, to Iran-Contra, to Noriega, to HUD scandals, to S&L scandals, to Iraq and some now believe POW-MIA's, our Government does not deal squarely with us.

Our Government deceives, our Government prevents us from knowing the

truth in many cases indirectly and in many cases directly through concealed information, through phony claims of national security or through clever evasions that are the moral equivalent of lies, although they may not always be convictable as lies.

Judge Walsh noted last week, that "It is not a crime to deceive the American public, as high officials in the Reagan administration did for 2 years while conducting the Iran and Contra operations." Well, it may not be a crime to lie to the public, Mr. President, but we have to set a higher standard of behavior, of public behavior, where we do not feel adequate or even congratulatory about our behavior because it is something just above the level of a crime.

Mr. Walsh's dogged pursuit of the truth in the Iran-Contra affair is a profile in courage. Judge Walsh is trying to preserve and protect our Constitution from those who would shred the law anytime the law is inconvenient.

Law enforcement is not a popularity contest. The issue is not whether what Mr. Walsh is doing is making some people uncomfortable; the issue is whether it is right and whether under the Constitution, the law and the long-term demands of a democratic society, there is no question that Mr. Walsh has chosen the right path. He deserves not our criticism, but our praise and I believe he has already earned history's respect.

I ask unanimous consent that a copy of his letter to the U.S. Congress be printed in the RECORD.

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

THIRD INTERIM REPORT TO CONGRESS BY INDEPENDENT COUNSEL FOR IRAN/CONTRA MATTERS, JUNE 25, 1992

The Independent Counsel statute provides that an "independent counsel appointed under this chapter may make public from time to time, and shall send to the Congress statements or reports on the activities of such independent counsel."

Under the governing statute, Independent Counsel's responsibilities are threefold. First, he has an investigative role, 28 U.S.C. Section 594. Second, he has a prosecutorial role, 28 U.S.C. Section 594. Third, he has a reporting role, 28 U.S.C. Section 595.

The purpose of this report is to inform the Congress of the status of Independent Counsel's investigation and prosecutions in the Iran/Contra matters.

STATUS OF THE INVESTIGATION

The criminal investigation of Iran/Contra is in its final phase. We are attempting to determine whether officials at the highest level of government, acting individually or in concert, sought to obstruct official inquiries into the Iran Initiative by the Tower Commission, the Congress and Independent Counsel by withholding notes, documents and other information, by lying, and by supplying a false account of the 1985 arms sales from Israeli stocks and their replenishment by the United States.

The indictment of former Defense Secretary Weinberger by the grand jury on June 16, 1992, stemmed from that investigation. A

copy of the Weinberger indictment is attached. Independent Counsel has yet to determine whether additional proposed indictments will be presented to a Grand Jury. That investigation should be completed this summer.

While pursuing the final phase of the investigation, the Office of Independent Counsel will proceed with the trial of three pending cases, *United States v. Clair E. George*, *United States v. Duane R. Clarridge*, and *United States v. Caspar W. Weinberger*. The *George* case is set for trial on July 13, 1992, before U.S. District Judge Royce Lamberth. No trial date has been set for the *Clarridge* case, but U.S. District Judge Harold Greene has stated that he hopes the trial can be held in October 1992. U.S. District Judge Thomas Hogan has set a November 2, 1992, trial date for the *Weinberger* case. In addition, Independent Counsel has been prepared to seek leave to appeal to the Supreme Court the reversal of the conviction of John M. Poindexter, but is awaiting an appeals court ruling on Poindexter's petition for rehearing in that Court.

Independent Counsel is sensitive to concerns expressed by Members of Congress and others as to the length and the resulting cost of the investigation. The investigation has continued for five and one-half years and has cost \$31.4 million. This highly complex investigation posed unique problems and circumstances that stretched out our work, which I will explain in more detail later.

To speed up the completion of our investigation, I announced last December the appointment of Craig A. Gillen as Deputy Independent Counsel to direct the continuing investigation and the remaining trial work of the office, while I undertook to complete the final report of our long period of activity. I have nevertheless maintained overall responsibility for the supervision and direction of prosecutorial matters, spending one third of my time in Washington and returning to Washington full time in April for the final consideration of the Weinberger indictment. Much of the report has been drafted, but in order to complete the final phase of our investigation, and particularly while Mr. Gillen is trying cases in court, I shall continue full time in Washington where we hope to complete our investigative work by the end of this summer.

LENGTH OF INVESTIGATION

In evaluating the cost and time involved in the effort of Independent Counsel to carry out this assignment by the Appointing Panel, it is important to understand that the Iran/Contra matters posed a number of highly complicated circumstances for a prosecutor. The Iran/Contra operations were intended by the Reagan Administration to remain hidden. Because they were conducted in tandem with or in the course of covert activities, once exposed, they could not be readily explored in open court because of the national security claims.

The operations were executed by high Reagan Administration officials in support of presidential foreign policy objectives. They occurred in a broad geographic setting over a period of years. Their investigation required a thorough sifting of hundreds of thousands of documents from some of the most sophisticated and secretive agencies of government. And, although there were many witnesses to various aspects of these operations, the most central figures were not cooperative. There were few government officers who volunteered information willingly.

It was imperative for Independent Counsel to focus first on the facts that might be the

subject of immunized testimony, including the diversion of funds from the proceeds of the Iranian arms sales to assist the Contras. It was necessary to gather as much material as possible before Congress granted immunity to the most central figures in the affair. After immunity was granted, it was necessary to shield our potential prosecutions from contamination by the highly publicized congressional testimony of Oliver L. North, Poindexter and others who testified under immunity grants.

Once the first major indictment was brought in March 1988, Independent Counsel turned to trial work. In the *North* case alone, 108 pre-trial motions were filed, thirty-two of which challenged the validity of charges in the 23-count indictment brought against North, Poindexter, Richard Secord, and Albert Hakim.

The decision by U.S. District Judge Gerhard Gesell to sever the four defendants in the case to preserve the right of each of the defendants to use the immunized testimony of others to exculpate himself necessitated separate trials and added more than a year to the anticipated schedule. The immunity issues ultimately brought about the reversal of North and Poindexter's convictions on appeal.

Classified information problems have also complicated Independent Counsel's prosecutions and consumed enormous time and energy. Every line of every page of the thousands of pages of classified documents that might be used in the trial by either the prosecution or the defense has had to undergo review by a group of declassification experts from several agencies. Claims of national security led to the dismissal of the central conspiracy charge against North, Poindexter, Secord and Hakim. Attorney General Thornburgh's refusal to declassify publicly known but officially secret information forced the dismissal of the government's entire case against former CIA Costa Rican station chief Joseph Fernandez—and more than a year's litigation was wasted. I have previously reported to Congress at greater length on these problems.

CRIMES CHARGED AND TRIED

Independent Counsel has not been able to prosecute the basic operational crimes committed in the course of the Iran/Contra affair due to national security claims. For instance, Count One in the North-Poindexter-Secord-Hakim indictment was dismissed due to claims that material information could not be declassified. It charged a conspiracy to defraud the United States by obstructing congressional oversight; by illegally supporting the Nicaraguan Contras; by depriving the government of the honest and faithful services of employees free from conflicts of interest, corruption and self-dealing; and by exploiting and corrupting for their own purposes a government initiative involving the sale of arms to Iran rather than pursuing solely the government objectives of the initiative, including the release of hostages in Lebanon.

Independent Counsel has been able to prosecute the crimes committed in the course of the Iran/Contra cover-up. These have included lying to and withholding information from Congress, lying to other official investigations, and withholding and destroying documents.

Criminal charges have been brought against 14 persons in three venues, including three cases that have not yet come to trial. Ten convictions have been obtained. The North and Poindexter convictions were reversed on appeal. The Fernandez case never

came to trial due to classified information problems.

The Office of Independent Counsel could not complete its work without questioning all significant witnesses and pursuing all important leads related to the mandate issued by the Appointing Panel, a copy of which is attached. Because of the need to try North and Poindexter separately, these two principals did not become available for questioning until mid-1990.

Since then, the continuing investigation was fueled by newly discovered documents, including the personal notes of key officials, CIA cables and tapes, and other records previously withheld from Independent Counsel and other investigative bodies. These were obtained by renewed emphasis on the fulfillment of longstanding document requests, originally made in 1987 to the National Security Agency, the National Security Council, the CIA, the White House, the Office of the Vice President, and the State and Defense Departments. Also of critical importance were changes in witness testimony.

CONCLUSION

In the past two years, the continuing investigation has developed new and disturbing evidence that made it necessary to reinter-view many of the witnesses first questioned in 1987. This was not merely a clean-up chore—it has provided a significant shift in our understanding of which Administration officials had knowledge of Iran/Contra, who participated in its cover-up, and which areas required far more scrutiny than we previously believed.

It is not a crime to deceive the American public, as high officials in the Reagan Administration did for two years while conducting the Iran and Contra operations. But it is a crime to mislead, deceive and lie to Congress when, in fulfilling its legitimate oversight role, the Congress seeks to learn whether Administration officials are conducting the nation's business in accordance with the law.

Respectfully submitted,

LAWRENCE E. WALSH,
Independent Counsel.

OFFICE OF INDEPENDENT COUNSEL FACTSHEET

Expenditures by the Office of Independent Counsel were \$31.4 million as of May 31, 1992, which are the latest figures available. The staff includes 9 full-time attorneys and 33 support staff. Since Independent Counsel Lawrence E. Walsh's appointment in December 1986 there have been ten convictions; two have been dismissed on appeal.

PENDING CASES

Caspar W. Weinberger—Indicted June 16, 1992, on five counts of obstruction, perjury and false statements in connection with congressional and independent counsel investigations of Iran-contra. The maximum penalty for each count is five years in prison and \$250,000 in fines. U.S. District Judge Thomas Hogan has set a Nov. 2, 1992, trial date.

Duane R. Clarridge—Indicted Nov. 26, 1991, on seven counts of perjury and false statements about a secret shipment of U.S. HAWK missiles to Iran. The maximum penalty for each count is five years in prison and \$250,000 in fines. U.S. District Judge Harold Greene has not set a trial date.

Clair E. George—Indicted Sept. 6, 1991, on 10 counts of perjury, false statements and obstruction in connection with congressional and grand jury investigations of Iran-contra. On May 18, 1992 three of the obstruction counts against George were dismissed with

Independent Counsel's consent; George was indicted on May 21, 1992 on two additional obstruction counts, bringing the total number of charges against him to nine. The maximum penalty for each count is five years in prison and \$250,000 in fines. U.S. District Judge Royce Lamberth has set a July 13, 1992, trial date.

COMPLETED TRIALS AND PLEAS

Elliott Abrams—Pleaded guilty Oct. 7, 1991, to two misdemeanor charges of withholding information from Congress about secret government efforts to support the Nicaraguan Contra rebels during a ban on military aid. U.S. District Judge Aubrey Robinson sentenced Abrams Nov. 15, 1991, to two years probation and 100 hours community service.

Alan D. Fiers, Jr.—Pleaded guilty July 9, 1991, to two misdemeanor counts of withholding information from Congress about the diversion of Iranian arms sales proceeds to the Nicaraguan Contras and about other military aid to the Contras. U.S. District Judge Aubrey Robinson sentenced Fiers Jan. 31, 1992, to one year probation and 100 hours community service.

Thomas G. Clines—Found guilty Sept. 18, 1990, of four tax-related felonies. U.S. District Judge Norman Ramsey in Baltimore, Md., on Dec. 13, 1990, sentenced Clines to 16 months in prison and \$40,000 in fines. He was ordered to pay the cost of the prosecution. The Fourth U.S. Circuit Court of Appeals in Richmond, Va., on Feb. 27, 1992 upheld the convictions. Clines began serving his jail sentence May 25, 1992.

Richard V. Secord—Pleaded guilty Nov. 6, 1989, to one felony count of false statements Congress. Sentenced by U.S. District Judge Aubrey Robinson on Jan. 24, 1990, to two years probation.

Albert Hakim—Pleaded guilty Nov. 21, 1989, to a misdemeanor of supplementing the salary of Oliver North. Lake Resources Inc., in which Hakim was the principal shareholder, pleaded guilty to a corporate felony of theft of government property in diverting Iranian arms sales proceeds to the Nicaraguan Contras. Hakim was sentenced by U.S. District Judge Gerhard Gesell on Feb. 1, 1990, to two years probation and a \$5,000 fine; Lake Resources was ordered dissolved.

Robert C. McFarland—Pleaded guilty March 11, 1988, to a four-count information charging him with withholding information from Congress. Sentenced by U.S. District Judge Aubrey Robinson on March 3, 1989, to two years probation, \$20,000 fine and 200 hours community service.

Carl "Spitz" Channell—Pleaded guilty April 29, 1987, to a one-count information of conspiracy to defraud the United States. Sentenced by U.S. District Judge Stanley Harris July 7, 1989, to two years probation.

Richard R. Miller—Pleaded guilty May 6, 1987, to a one-count information of conspiracy to defraud the United States. Sentenced by U.S. District Judge Stanley Harris on July 6, 1989, to two years probation and 120 hours of community service.

REVERSED ON APPEAL

John M. Poindexter—Found guilty April 7, 1990, of five felonies: conspiracy (obstruction of inquiries and proceedings, false statements, falsification, destruction and removal of documents); two counts of obstruction of Congress and two counts of false statements. U.S. District Judge Harold Greene sentenced Poindexter June 11, 1990, to 6 months in prison on each count, to be served concurrently. A three-judge appeals panel Nov. 15, 1991, reversed Poindexter's convictions. Independent

Counsel plans to appeal to the Supreme Court.

DISMISSALS

Oliver L. North—U.S. District Judge Gerhard Gesell dismissed the case Sept. 16, 1991, at the request of Independent Counsel following hearings on whether North's immunized congressional testimony tainted the testimony of trial witnesses. A three-judge appeals panel on July 20, 1990, vacated for further proceedings by the trial court North's three-count conviction for altering and destroying documents, accepting an illegal gratuity, and aiding and abetting in the obstruction of Congress. The appeals panel reversed outright the destruction-of-documents conviction. The Supreme Court declined review of the case May 28, 1991. North, who was convicted May 4, 1989, had been sentenced July 5, 1989, to a three-year suspended prison term, two years probation, \$150,000 in fines and 1,200 hours community service.

Joseph F. Fernandez—U.S. District Judge Claude Hilton dismissed the four-count case Nov. 24, 1989, after Attorney General Dick Thornburgh blocked the disclosure of classified information ruled relevant to the defense. The Fourth U.S. Circuit Court of Appeals in Richmond, Va., on Sept. 6, 1990, upheld Judge Hilton's rulings under the Classified Information Procedures Act (CIPA). On Oct. 12, 1990, the Attorney General filed a final declaration that he would not disclose the classified information.

Mr. KERRY. I yield the floor.

Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Alabama.

Mr. HEFLIN. Mr. President, I believe I have a 10-minute order.

The PRESIDING OFFICER. The Senator is correct. Under the previous order, the Senator from Alabama is recognized to speak for up to 10 minutes.

COLUMBUS' VOYAGE TO AMERICA: LESSONS FOR INVESTMENT IN OUR FUTURE

Mr. HEFLIN. Mr. President, " * * * to explore strange new worlds, to seek out new life and new civilizations, to boldly go where no man has gone before," so said the announcer to open each episode of the "Star Trek" series. We might say that the "Star Trek" announcer was echoing Christopher Columbus' sentiments of 500 years earlier. Where would we be today if Columbus' quest for riches had not uncovered the new continent? Although his stated goals were to find gold, spices, and a new route to India, his voyage led instead to a remap of the world as it was known in his day.

This great journey was not simply a matter of hopping on a ship and setting sail for the vast unknown. Columbus faced much criticism, derision, and open skepticism for his idea of a western voyage to India. He needed funding to equip three vessels for a year of Atlantic exploration. He spent many years lobbying in the royal courts of both Portugal and Spain, much like we see today in Washington.

After being turned down by the King of Portugal, the Italian explorer took his ideas to Spain. He presented his plan to Isabella I in 1486. Her advisers argued against it, claiming, correctly as it turned out, that Asia had to be further west than Columbus supposed.

Despite the negative report of the royal advisers, Isabella and Ferdinand were fascinated by the plan and supported the future admiral with a royal pension, but not instantly. With the Christian Spanish reconquest of the Iberian Peninsula, Columbus had to endure 6 years of frustration. He even threatened to leave Spain in 1491 and submit his project to Charles VIII of France. On January 2, 1492, he was finally given the necessary papers and financing.

The *Santa Maria*, the *Nina*, and the *Pinta* were made ready for the voyage. Columbus captained the *Nina* while two other experienced sailors commanded the *Pinta* and the *Santa Maria*. With 88 men and enough provisions for a year, the ships sailed on August 3, 1492.

On September 6, they ventured along the 28th parallel passing the north fringe of the northeast trade belt. Columbus was fortunate to have had fair winds during the first stage. But toward the end of September, however, the crew faced unfavorable winds, dropping morale to the point of mutiny.

At 2 o'clock a.m., on October 12, 1492, under an almost full moon, land was spotted by a lookout on the *Nina*. Columbus named this small island in the Bahamas "San Salvador," meaning Holy Savior.

Arawak Indians on the beach received the Europeans courteously. But, no gold or spices were found, so the fleet sailed on, landing on Cuba October 28. Again, no gold, but a substance known as tobacco was discovered.

Not giving up on the opportunity to find gold, Columbus then sailed to Haiti where the *Santa Maria* was grounded on a reef and smashed to pieces on Christmas Eve. Natives helped the Spaniards save the crew and most of the cargo. The good nature of the Indians so impressed Columbus that he decided to leave part of his crew at the spot to found the settlement of La Navidad. He instructed his men to explore the island for gold.

On January 16, 1493, the *Nina* and the *Pinta* began the journey home to report their discoveries. The return voyage was long and miserable because of storms, but the party finally reached Palos on March 15, 1493.

Columbus was welcomed triumphantly at Barcelona by Ferdinand and Isabella. He received the title "Admiral of the Ocean Sea" and was made "Vice-King and General Governor of the Islands and Terra Firma of Asia and India."

He made three more voyages to the lands he had discovered, though he would never admit that he had found

not Asia, but a new continent. In this period, the many flaws of his personality and the limitations of his genius were made obvious through his actions and writings. But these imperfections cannot belittle the perseverance and raw determination of the "enterprise of the Indies." Columbus died in 1506, oblivious as to how his maiden voyage would ultimately lead to the complete restructuring of the political landscape and alteration of world history.

The successes enjoyed by this ambitious young maverick were not those he had intended. Columbus did not know exactly what he would encounter when he started out, but he knew his findings would be important to future generations. And so it is with the young researchers and scientists of today.

Columbus was not a perfect individual and by no means did he enjoy a fairy tale voyage. But, as Frank Donatelli, chairman of the Christopher Columbus Quincentenary Jubilee Commission, said, "What else is new?" Donatelli tells us not to forget "the fact that what Christopher Columbus accomplished was possibly the most important thing that had happened to the world since the birth of Christ."

I offer the story of Columbus not only because this is the year of its quincentenary, but, aside from the controversy surrounding its celebration, because it offers us so many lessons and instructions about the research and exploration of today. For example, Columbus' adventures are much like today's adventures in space. We may not know what is out there, but we know we must continue to explore. As we saw with the dramatic Endeavor rescue mission, dangers and costs of bold exploration are justified by what the operation taught us about working in space and by the fire it has lighted in young people.

One of the greatest journeys ever to take place could be with the space station *Freedom*, which is being built by the United States, Japan, Canada, and 10 European nations. This international manned space laboratory will allow astronauts to learn how to live and work in the hostile environment of weightless space.

If everything goes on schedule, a shuttle will hoist the first section of space station *Freedom* into an orbit 250 miles above the Earth in November 1995. Four astronauts will take up residence in a lab designed to circle the Earth for the next 30 years beginning in 1999.

Once it is flying, space station *Freedom* will be a workshop for life science and microgravity experiments that may benefit people on Earth in the form of new drugs and other materials. Building the space station will be the largest technological endeavor ever undertaken among nations, and will make *Freedom* a prototype for massive

future international projects in science and technology on the ground and in space. It will also be a test for NASA. But, endeavor shows that NASA is up to the test, just as Columbus was up to the test.

Collecting medical data needed for long manned space flights is the primary mission, but there could also be a scientific payoff in biotechnology research and in developing new ceramics, glasses, metals and other novel materials. Research could also help scientists learn how to develop drugs to attack diseases.

Experiments in the space station will help explain what happens to animals, including humans, when they are removed from the natural gravitational environment in which the species evolved. Scientists will be able to do life-science studies that run for years.

From the moment President Reagan proposed the space station in 1984, however, the project has been engulfed in controversy, as was the plan proposed by Columbus. Skeptics are not shy about decrying the space station as a flagrant misuse of tax dollars in a time of fiscal constraint. Many prominent scientists have maintained that the cost of \$30 billion or more to the United States, plus additional billions invested by our international partners, far outweighs potential scientific benefits. Social critics have argued that the money would be better spent at home, shoring up fractured urban ghettos and investing in better schools.

Congress repeatedly has voted by substantial bipartisan margins to continue projects such as the space station, superconducting super collider, and SDI. But in a time of tight budgets, more attempts to kill sound investments in our future are expected. It seems to me, however, that we cannot back away from a strong investment in public investment and research, any more so than parents can decide to not fund their children's college education just because they might still have a mortgage on their home or a large balance on their credit card accounts.

At the same time, we cannot ignore our fiscal dilemma. I have long been in the forefront of efforts to inject responsibility and discipline into the Federal budget process. Any public investment must be cost-effective.

With that goal as a priority, space station *Freedom* already has been scaled back and its crew cut from eight to four in order to save money. It has also been redesigned to make it much easier to construct and maintain in orbit. But its basic mission remains that of finding out if humans can live and work for long periods in the absence of gravity. The answers will determine if our long-held dream of being a spacefaring species can ever become reality.

The American people know that if we are to adequately prepare for the fu-

ture, we must make the right investments today. Recent surveys focusing on Federal spending show that 74 percent of us want funding levels for NASA to be increased or at least remain at current levels.

When I hear some of my colleagues rail against the space station, the superconducting super collider, and other projects designed to propel us into the future, I cannot help but wonder what they would have said had they been around in 1492. Certainly had these political pundits been in Spain, the news headlines would have read: "Columbus voyage disaster, ship lost, India not found."

We never know what benefits research and development will ultimately yield. Some of the most important discoveries in medicine and other fields have been accidental in nature, just as Columbus' arrival in the New World was 500 years ago. Could any of us argue, with a straight face, that the cost of that long-ago voyage, which at that time was astronomical, has not been outweighed many, many times over by the benefits that were bestowed upon mankind?

As we reflect upon that journey during 1992, it would serve us well to think of and focus on the miraculous technological advances and discoveries—many of which have benefited the human race immeasurably—that would never have been possible had the naysayers got their way.

In his inaugural address to the Nation over 30 years ago, President Kennedy told Americans that they stood "on the edge of a New Frontier." In describing the phrase that has become synonymous with his short administration, he inspired an entire generation by saying, "Let both sides seek to invoke the wonders of science instead of its terrors. Together let us explore the stars, conquer the deserts, eradicate disease, tap the ocean depths * * *"

Those words are no less profound today than they were in Kennedy's time, for as long as man is on this Earth, and as long as we are able to move forward with scientific and technological advances, we will always be on the brink of a New Frontier.

The PRESIDING OFFICER (Mr. KERRY). The Senator from Washington is recognized under the previous order for not to exceed 10 minutes.

PLANNED PARENTHOOD VERSUS CASEY

Mr. ADAMS. Mr. President, it is painfully clear that yesterday's decision by the Supreme Court in Planned Parenthood of Southeastern Pennsylvania versus Casey has seriously eroded the most basic and fundamental constitutional right held by the women of this Nation, a right to make their own individual decisions, free from intrusive meddling by Government on

this decision of whether to choose to have an abortion.

Although five Justices rejected the call to overturn the Roe decision outright, a solid bloc of four men—Chief Justice Rehnquist and Justices White, Scalia, and Thomas—are committed to the total elimination of the right of choice for American women. We are just one Justice away from a Court that will overturn Roe and allow criminal penalties to be established, or other type of regulations denying women the right to choose.

So it is a terribly important time for all of us to discuss this decision and future actions of the Congress. The Rehnquist Court has brought this Nation to the brink of taking away a fundamental right, and the next appointee to the Supreme Court is certain to determine the outcome of this struggle.

Yesterday's majority decision rejecting the radical minority opinion gives no cause for rejoicing, for the Roe decision has been seriously eroded. The Court majority invites other States to follow the example of the Commonwealth of Pennsylvania in placing obstacles between a woman and the exercise of her constitutional rights.

This decision took one step forward by rejecting the spousal notification provision, and four steps back in upholding the provision of Pennsylvania's law that had been found unconstitutional by the lower court.

States are now free to meddle in the decision in the decisionmaking process, and to interfere in the abortion decision at all stages of pregnancy. This decision steers the women of this Nation in the direction of forced pregnancies, illegal abortions, and those terrible operations performed by back-alley butchers.

Nearly 20 years after Justice Blackmun so aptly characterized the majority decision in Roe versus Wade as "a landmark of liberty," that very liberty referred to in the Constitution today stands severely eroded and in danger of elimination.

Those of us in Congress who cherish the protection of individual liberties and view the Constitution as a shield between arbitrary Government action and the individuals of this Nation—which it is—want to prevent an unwanted and unjust intrusion of Government. And we must act to stop that erosion; we must move immediately to pass the Freedom of Choice Act and codify the "strict scrutiny" standard established in Roe.

I also want to state an admission and a compliment, Mr. President. In September 1990, I voted against Justice Souter, and indicated here on the floor that if he proved sensitive to the constitutional protection enjoyed by American women under the Roe decision, I would return to the floor and express my gratitude that my concerns had been misplaced. I do so today. And

I shudder with horror at what alternative we might have had if the fifth vote had made criminal penalties under Roe possible for the States.

I am more convinced than ever that no future Supreme Court nominee should be confirmed without a clear and unequivocal stated commitment to the right of privacy that is essential to the protection of the many individual rights of our citizens including the right to choose or not to choose an abortion, an intimate, personal right.

I can think of almost no right more intimate or more personal than the decision to have an abortion; it is a decision that should be made by the woman involved, and not by the Government. That is what the Constitution is there for—to protect individuals from intrusion by the Government into their most private matters.

Opponents have argued that the Congress does not have the constitutional authority to protect the woman's right to choose. I sat in those Labor Committee hearings when we had constitutional scholars from this Nation's best universities to testify. Time after time, they stated that Congress clearly has the power to enact a statute to protect a woman's right to choose. Yet time after time, opponents come to the Senate floor to fight to restrict access to abortion: They want to require parental notification, prohibit Federal funding of abortion, forbid the District of Columbia to pay for abortions with its own funds, and cut off aid to foreign countries based on abortion policy. But when those who wish to protect the rights of women introduce legislation like the Freedom of Choice Act, they have the temerity to say that we cannot do that.

That is ridiculous: Congress has the power to enact the Freedom of Choice Act under the commerce clause of article I, section 8, and under section 5 of the 14th amendment.

This is very important because before the Roe decision, 85 percent of the abortions in the United States were conducted in New York or California. And 65 percent of those in New York were from out of State. Today, 85 percent of the counties in the United States have no abortion facilities available. Women must travel great distances to obtain an abortion.

So we certainly have the right to see that those who must travel from rural areas, or areas without any abortion facilities, have an opportunity to move freely to exercise their constitutional rights.

The 14th amendment is a basic constitutional right-to-privacy doctrine, and it provides for fundamental constitutional protection of individuals against arbitrary Government action. This protection is applied to the States under the 14th amendment.

Finally, Congress must act because it is abundantly clear that women can no

longer rely on the highest Court of the United States to give them their constitutional rights and to protect them. We therefore must pass the Freedom of Choice Act. It is within Congress' power to safeguard the fundamental right to choose. More than that, Congress has a responsibility to protect the women of America from unnecessary interference of the Government.

Now that the Supreme Court decision has been announced it is time for the Congress to act.

And I hope that we shall do so promptly.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I ask unanimous consent to speak for 20 minutes as in morning business.

The PRESIDING OFFICER. Without objection it is so ordered.

AID TO PANAMA

Mr. LEAHY. Mr. President, when I saw the pictures of President Bush trying to keep the tear gas out of his eyes during his recent stop to Panama, I was reminded of a debate we had on this floor just over 2 years ago.

In March 1990, 3 months after Operation Just Cause and just a month after the Congress approved the President's request for \$550 million in emergency credits and guarantees to Panama, the President sent up another request for an additional \$500 million in grant aid for Panama, and \$300 million for Nicaragua.

The House cut the Panama aid request to \$420 million, and sent it to the Senate, where a difficult and lengthy debate ensued in April 1990.

Although there were only 6 months remaining in the fiscal year, we were told that this aid—roughly equivalent to one-third of Panama's entire national budget—was needed immediately to jump-start the Panamanian economy. In fact, every administration official went over every talk show they could and said, "We jump-start the Panamanian economy."

The administration was breathless in its urgency to get the Senate to pass that emergency aid package without any change from the House-passed level and without adding any controls on how the money could be used.

Some here may remember that as chairman of the Foreign Operations Subcommittee I said at the time that Panama's shattered economy was simply not capable of absorbing so much money so fast, without a lot of it being misused or wasted. Far too much of it was going to end up right in the same corrupt banking system, and far too little would go to the people who needed it most.

That is not to say I was against giving aid to Panama after the overthrow of the dictator and convicted drug lord

Gen. Manuel Noriega. I made clear on this floor at the time, that the United States had a responsibility to help Panama recover from Noriega, particularly after all those years the Reagan and Bush administrations had supported him and told him what a great job he was doing fighting drugs.

But I argued that this was too much money, too fast, with too little preparation. It was obviously politically motivated. The White House wanted to demonstrate U.S. support for the new government there, and the administration did not want to take the time to develop a carefully thought out program, and they said just send American taxpayers money down there in foreign aid, because it is going to look good.

I went to Panama to discuss the President's request. The Panamanians told me frankly they had no serious economic plan, only a set of goals. They wanted the cash now and would figure out what to do with it later. They, too, wanted a signal to the Panamanian people that a lot of American money was coming.

When I got back to Washington, some administration officials, privately of course, confirmed that there was no economic recovery plan. I also found that the administration did not have a credible budget justification for its request. Basically, the administration's budget argument was "give us the money and trust us to use it right."

When floor debate in the Senate began, I pointed out that while the American taxpayer was being asked to provide over \$1 billion in aid of one kind or another to Panama and Nicaragua with a combined population of 6 million people, the President was proposing only \$300 million for all of Eastern Europe, with 120 million people and enormous economic potential for American trade and investment, which means incidentally jobs right here in the United States.

I wanted to discuss whether we had not gotten our priorities mixed up. With an immense opportunity for United States trade and investment in Eastern Europe, with major economic payoff for the United States as well as for the Eastern European nations, it seemed to be worth debating whether some of this money ought not to go to support our national interests in that area as well, instead of simply shoveling money down to Panama and Nicaragua for the sake of shoveling money down to Panama and Nicaragua.

For daring to raise questions about what this money was supposed to accomplish in Panama—because I dared ask whether it would not be possible to cut the amount to meet genuine emergency needs and come back to Panama's longer term needs after a real recovery plan was prepared—I was vilified by the White House for blocking this urgent program. I was made to

look like an isolationist yahoo because I wanted to take the time to work out an aid program that really would respond to the needs of Panama, and in the meantime, shift a part of the aid to helping expand our economic stake in Eastern Europe.

Notwithstanding all the abuse heaped on me and others in this Chamber, the distinguished chairman of the Appropriations Committee and I proposed an amendment in the committee shifting some of the Panama aid to higher priority areas.

Mr. President, you should have seen the administration twisting arms on that one, and we were finally defeated in the committee by a single vote.

But I was successful in adding a requirement that the GAO and the AID Inspector General monitor how the Panama aid was spent. I predicted serious problems would occur in the Panama program, and I am sorry to say, Mr. President, that my fears appear to have been justified. I said there would be serious problems if we just threw all this tax money down there. The White House said do not worry about it. It will all work out. It turns out I was right, and they were wrong; there are serious problems.

On June 13, the Washington Post reported that according to a copy of the GAO's draft report required by my provision, our aid has had no significant impact on the economy or on the underlying causes of political instability there. That draft report has not been released, nor have I seen it, but I believe that is what it says. However, I and my staff have had several briefings from AID, the GAO and the AID/IG on the Panama program over the last 2 years. We were briefed on the draft GAO report after it was described in the Washington Post and other newspapers.

According to our briefings, the GAO has found that a year after Congress rushed through the dire emergency supplemental, the administration had disbursed only one-sixth of the money for Panama. After 1½ years, over 50 percent was still unspent. Only within the last 6 months has the bulk of the money finally been disbursed, a full 2 years after the dire emergency in Panama that we heard in all these speeches coming from the administration.

This is precisely what I warned would happen.

And having had everybody from the administration tell me my fears were groundless, Mr. President, I do want to speak on this floor about what happened, because precisely what I said would happen did, and exactly what the administration said would not happen did happen.

We locked up over \$400 million of the American taxpayers' money many months before the money could actually be used to help the people of Panama.

Rather than going to the people who are in need, GAO staff tell us over \$100 million went into the banking system to increase liquidity. AID has no idea what was done with that money. Of the \$65 million development projects which actually might have done something that we could have traced much of it was not used. Only \$18 million had been disbursed by February of this year. Much of our emergency aid was deposited to the account of the Panamanian Government and sat there earning interest, over \$1½ million, not for the American people, but for the Panamanians.

That is money, incidentally, that we in the United States had to borrow to give to them to put in the bank where they could earn interest on it, because they did not need to use it. It does not make an awful lot of sense. So the American taxpayer took a double hit. He or she paid taxes so we could give the aid to Panama in the first place, and he or she paid more taxes so the Treasury could borrow the money sooner than it had to—and on top of that Panama got more aid than Congress actually appropriated.

What a deal, not for the American taxpayers but what a deal for the Panamanians.

My briefings indicate that GAO experts believe that AID misjudged the economic situation in Panama. GAO economists believe the Panamanian economy had already begun to rebound before significant amounts of our aid ever got there. The problem in Panama was, and still is, long-term reform of underlying structural weaknesses of the Panamanian economy, not short-term, jump-start economic stabilization.

In short, according to the GAO, aid was needed, but of a different kind—not to shore up the banking system—but to address the fundamental problems of poverty, unemployment and structural distortions in the Panamanian economy. That is exactly what I argued 2 years ago in trying to reduce the so-called emergency aid package to meet genuine emergency needs in the aftermath of our invasion, and to require a long-term economic development plan before we provided the whole aid package.

Just as I tried to tell the Senate, we really did have time to do this program right if we had not been stampeded by the rhetoric out of the White House. Instead of listening to everybody who in the aftermath of snatching Noriega all those running to talk shows, now let us send down a whole lot of money to fix up the problems that were created during the time we were all supporting Noriega, if we just stopped and said wait a minute, this is our money, this is not the Panamanian money, it is nobody else's, it is our taxpayers' money, let us at least if we are going to spend it on this or any other kind of

foreign aid, let us at least spend it so we get what we say we are going to get out of it.

In case anyone thinks this is just the opinion of the GAO, the AID inspector general recently published his own audit of the Panama program, an audit required by the provision I put into the emergency aid bill, because I thought this money was going out far too fast. He found that need for the Private Sector Revitalization Program, which accounts for \$108 million, one-fourth of the entire aid package, has never been analytically established. In plain words, Mr. President, this means it was thrown together by AID bureaucrats in an effort to shovel money down there as fast as they could with no thought of how the money was going to be used. Most of us would not spend our own money in our household this way; we should not spend the American taxpayers' money this way in foreign aid.

Moreover, the IG reports that the Private Sector Revitalization Program was not being implemented as authorized. The inspector general found that AID simply injected the entire \$108 million into the Panamanian banking system without any effort to monitor how the money was used to reactivate the economy.

They simply said why use it for new loans to the private sector. AID merely required that the \$108 million be used for new loans to the private sector, with the definition of new loans being those that occurred after July 24, 1990. While it is next to impossible to link our aid to any specific uses, it appears the bulk of these new loans did not create jobs, did not help the people displaced by the invasion. What it did was it refinanced home mortgages for the Panamanian middle class, and loans to a handful of large corporations.

But this was not a mistake or the result of weak management. AID deliberately chose not to know how the loans were to be used. Good soldiers, they jumped in line, and a political judgment was made at the White House to shovel American taxpayers' money down there; do not ask where it is going to be used. Now, hear no evil, see no evil. Well, let us speak a little bit of the evil because of the inspector general found the original authorization documents for this program were amended to drop the requirement that the Panamanian banks produce a loan program in advance of disbursement of the United States funds, in other words, simply thinking of saying before you give the money tell where you are going to use it for. We even dropped that. Mr. President, who is running this operation? The same people that ran the savings and loans. This is remarkable.

Let me quote from the IG audit.

There was no way to assess whether the participating banks would have made the loans in the absence of the program, nor was

there a way to determine whether the funds received under the program resulted in increased lending for the specific types of activities the program was intended to support.

We are not playing Monopoly here, it is not funny money.

Now, Mr. President, the inspector general says AID has agreed that these loan repayments to the Panamanian banks can be used to pay Panama's debts to the United States.

Let me make sure everybody understands this. Panama owes the United States money, so we give them foreign aid so they can pay us back so we can say see they paid their bills, send them more money aid.

Mr. President, I have a mortgage on my home in Vermont. I have a mortgage on the home I use down here in Washington. God, I would love to find out how somebody gets a program like this. You know, borrow money; then get the people you borrow the money from to send you money to pay back the money you borrowed. What a deal, Americans cannot get help. Those who get foreign aid can.

As crazy as it sounds, we are letting Panama use our emergency foreign aid to pay its debts to us. The IG seconded the GAO's findings about the Economic Recovery Program, which accounts for \$243 million of the total \$420 million package. Both found that it took far longer to disburse this money than planned—or than we were told when immediate Senate action was being demanded. If this sounds like I am saying I told you so, the fact is I did. And all the hoopla, and we ought to keep in mind when foreign aid bills come up here, all the hoopla of the moment of how necessary it is; let us stop for a moment: it is American taxpayers' dollars. Let us make sure where it is going to be used. Let us think about that in any package that comes up. This is where we had a chance to really do something to help American taxpayers in Eastern Europe, but, no, we have to shovel this money down to Panama and Nicaragua immediately, because they need it desperately and then we find out that it was not used that way. The IG audit states that AID planned to disburse the Economic Recovery Program money within 9 months, or by March 1991. Again, let me quote the IG audit report:

However, as of November 30, 1991, seventeen months after the program began, only \$29.85 million, or 12 percent of the program's funds, had been disbursed by A.I.D.

The GAO briefers told us that as of May 31, 1992, a full 2 years after Congress approved the dire emergency supplemental, only 79 percent of the funds had been spent. Over 20 percent, one-fifth, of that emergency aid to jumpstart the Panamanian economy still remained unspent as of that date.

Here is another finding that particularly grates on me. Do it right now,

hurry up jump start the economy, in fact, it took Panama over 20 months to complete all the necessary actions to use the \$130 million we appropriated to help them clear their arrears with the multilateral development banks.

When I was being blasted by the Treasury Department early in 1990 for questioning the need for this \$130 million right away, they were saying these arrears would be cleared before the end of that year. I said "baloney." I had taken the trouble to go to Panama and meet their political leaders and their economists. I knew it would take far more than a year to get through that politically difficult process, plenty of time for the administration to work out a realistic plan and for Congress to provide the money in a timely manner.

Still the political appointees ought to cool the rhetoric a little bit and spend just as much time doing their job and try to protect American taxpayers' dollars.

But we went ahead and did what the White House wanted. We appropriated that \$130 million of the taxpayers' money, and it sat there for nearly 2 years before it could be used. The Treasury had to borrow that money. It was not a free item to dangle in front of the Panamanians. There was a cost, both to other urgent foreign aid programs like Eastern Europe or export promotion, and in interest paid by the Treasury.

Mr. President, through gritted teeth, I will reserve final judgment on AID's management of this program until I see the report myself. But right now I am putting the GAO, the IG and AID on notice. The GAO and IG have made serious allegations which, if true, have profound implications not only for our aid program in Panama, but in many other countries. If false, they have done a great disservice to AID.

In fairness, I want the record to show AID vigorously rejects the GAO and IG's criticisms. AID claims that had it not been for our aid program, Panama's economy would never have grown 9.3 percent in 1991. Although unable to prove it was because of our aid, AID says unemployment has been cut from over 30 percent to less than 16 percent in 2 years, and that the feared run on the banks never occurred.

AID also says it used its leverage to get Panama to cut tariffs for agriculture and industry, begin eliminating price controls, privatize the national airline, and commit to privatizing the telephone company, and sign an investment treaty with the United States. AID says it provided \$20 million for community projects and \$13 million to repair and build schools and health clinics, supported scholarships for Panamanian students, and helped modernize the courts and legislature.

AID officials characterize the Panama Emergency Aid Program as a great success.

Maybe AID is right and the GAO and the IG are wrong. I intend to get to the bottom of it. After I get the GAO final report I will decide whether to convene a hearing in the Foreign Operations Subcommittee on the Panama program. If so, I will invite AID, the GAO, and the IG to give their sides of the story.

If the GAO and the IG are accurate, there are some powerful lessons to be learned here. Without the GAO and the IG to do independent evaluations there is no way we would ever know whether our aid was going to waste.

I wish Senators would also heed this lesson. Just because the administration says there is an emergency somewhere does not mean throwing a pile of money at it is going to solve anything.

Foreign aid is in deep trouble. Its constituency is all but gone. A large part of the reason is politically driven programs like the so-called emergency aid package for Panama in the spring of 1990. We cannot turn our back on the world—whether Russia or Panama. But if there is one thing we should have learned a long time ago it is that throwing money at a problem does not always help. Foreign aid, just like all Federal programs, has to be carried out responsibly and with a spotlight on management, implementation, and results.

Mr. President, we are the remaining superpower in the world. We cannot turn our back on the rest of the world, whether it is Russia or Panama. But we also have to understand that if we are going to remain that superpower, if we are going to have these worldwide interests, we have to keep faith in the American people themselves or there will not be a constituency for it.

Mr. President, I ask unanimous consent that the Washington Post article of June 13, 1992, a letter in response to the editor of the Post by James Michel, AID's Assistant Administrator for Latin America and the Caribbean, and an exchange of letter between Mr. Michel and the AID inspector general relating to the Panama program be printed in the RECORD.

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

[From the Washington Post, June 13, 1992]

**\$420 MILLION PANAMA AID FOUND
INEFFECTUAL BY GAO**

(By Dana Priest)

A \$420 million U.S. aid package to Panama meant to jump-start the economy and create goodwill after the U.S. invasion in December 1989 has had "no significant impact on the economy" or the underlying causes of political instability there, according to a draft of a year-long government study.

The report by the General Accounting Office, the investigative arm of Congress, concludes that too much money has been spent on bolstering the banking sector after U.S. officials "overstated" the threat of a post-invasion run on the banks that never occurred. It also finds that 70 percent of the money

earmarked to aid the poor and promote democratic institutions has not yet been disbursed.

Speaking in Panama City Thursday, President Bush said the U.S. community in Panama "must take great satisfaction in Panama's accomplishments" and added, "We will continue to help the Panamanians build on their progress, in strengthening democracy and developing their economic system so that future generations can share what you have helped start."

U.S.-Panamanian tensions flared this week when a U.S. soldier riding in an Army vehicle was shot and killed in Wednesday and Bush on Thursday was forced to flee an open-air public event in Panama City after U.S.-trained riot police fired tear gas at nearby protesters.

Bush blamed the incident on a "tiny little left-wing demonstration," but witnesses to the violence said U.S.-trained riot police may have fired excessive volleys of U.S.-supplied tear gas that drifted toward the president.

As of March, the United States had spent or committed \$13.2 million of what is expected to be a \$60 million, five-year program to help equip and train Panama's new National Police Force. The new force replaced the brutal and corrupt 22-year-old Panama Defense Forces (PDF), many of whose members remained loyal to former Panamanian leader Manuel Antonio Noriega during the invasion and fought U.S. troops.

Over 90 percent of the new police force are former PDF members, according to another GAO report released this month. Poor pay (\$318 a month), low morale and high turnover in leadership positions are serious roadblocks to developing a professional force, the report said.

Since the invasion, Panama has received \$1.28 billion in grants, credits and trade guarantees from the United States. The draft GAO report has studied only the \$420 million in "dire emergency" assistance that Congress, at the request of the administration, provided Panama in May 1990. The Agency for International Development (AID) is responsible for planning how to spend the money and negotiating with the Panamanian government over disbursements.

The report is also critical of the Panamanian government for taking 20 months to pass economic reform legislation that the United States had set as a condition for spending the money. Lengthy talks with Panamanian officials also slowed disbursement for programs to improve police and justice systems, develop electoral and legislative procedures and support free press and labor unions.

Of the \$420 million, \$352 million was to help Panama cover debts with international financial institutions, fund infrastructure improvements and expand credit to businesses.

About \$108 million of the \$352 million was infused into the banking system to avert what AID officials believed could have become a liquidity crisis caused by a post-invasion run on banks. Another \$65 million of the total package was to be spent on development programs. AID had disbursed only \$18 million of the development money as of Jan. 31.

"AID perceived the economy to be in a state of emergency, and viewed its role as injecting an immediate stimulus into the economy," the draft states. "GAO found that, while Panama's economy was certainly in a state of crisis, the cause *** was more political than economic." The economy improved before significant amounts of foreign assistance were disbursed, the study notes.

AID's plan, the report goes on to say, "generally overemphasized the need for short-term stabilization in Panama at the expense of dealing more comprehensively with the acknowledged obstacles to Panama's long-term growth and development"—notably, trade protectionism and bad government policy. AID officials declined comment yesterday, saying they had not read the draft, but noted that Panama's Gross Domestic Product grew 9.3 percent last year, in part because of U.S. assistance.

The draft was written by GAO analysts who conducted interviews with officials from the U.S. Embassy and AID in Panama and Washington, the State Department and the Panamanian government. The analysts also reviewed relevant aid program documents. The request for the study came from Sen. Patrick J. Leahy (D-Vt.), chairman of the Appropriations subcommittee on foreign operations.

The draft is not expected to be released for another two months, after GAO editors and State and AID officials in Washington have a chance to respond. It is not unusual for this review process to result in language changes that soften the findings of analysts who conduct the on-site work.

[From the Washington Post, June 16, 1992]

INDEPENDENT PANAMA AID STUDY SOUGHT

(By Dana Priest)

A senior official at the Agency for International Development called yesterday for outside investigators to evaluate the economic impact that \$420 million in U.S. assistance authorized for Panama has had there.

Analysts at the General Accounting Office, the investigative arm of Congress, have concluded in a draft report that the aid package, appropriated by Congress after the U.S. invasion in December 1989 and meant to jump-start the economy, has had "no significant impact on the economy." It also says that 70 percent of the money earmarked to aid the poor and promote democratic institutions has not yet been disbursed.

"The allegations are so serious and damaging, so contrary to what I strongly feel is a well-designed and -managed program," said James Michel, assistant administrator at AID for the Latin America and Caribbean bureau. "I want to know if this is right. Can we be so wrong? If it's so, get rid of us all."

In the draft, which The Washington Post wrote about Saturday GAO analysts said AID had "over-stated" an expected post-invasion run on the banks. Expectation of such a run was the agency's justification for infusing nearly \$352 million into the banking sector.

Michel said in an interview yesterday the money did help build the business confidence necessary to avert a banking crisis and better Panama's standing among international financial institutions.

The GAO draft said that "AID officials blame their own lengthy project design, approval and development process for" the delay in disbursing money for the development projects. Yesterday, Tom Stukel, AID's mission director in Panama, said it has taken time to develop projects to reform Panamanian institutions. "These are not solved overnight or formula kind of solutions," he said.

Although AID routinely evaluates its own programs, Michel said he will ask the agency to hire outside analysts to review the aid package to Panama. "I want to find out if we're as awful as this says we are."

AGENCY FOR
INTERNATIONAL DEVELOPMENT,
Washington, DC, June 15, 1992.

The EDITOR,
The Washington Post, Washington, DC.

THE EDITOR: The Agency for International Development has again come under attack—this time in the Post's front-page story of Saturday, June 13, entitled "\$420 Million Panama Aid Found Ineffective by GAO."

The lengthy Post article appears to be based entirely on an early draft of a report still being prepared by the General Accounting Office and not yet seen by A.I.D., but made available to your reporter. The Post article is highly critical of A.I.D.'s program with respect to the following:

The significance of its impact on the economy and the underlying causes of political instability in Panama;

The amount of money spent on bolstering the banking sector;

The speed of disbursement of the money earmarked to aid the poor and promote democratic institutions;

The balance of emphasis between the need for short-term stabilization in Panama and the obstacles to Panama's long-term growth and development—notably, trade protectionism and bad government policy.

As the A.I.D. official who approved the Panama program and chaired annual reviews of its implementation in 1991 and 1992, I can claim some personal knowledge of what A.I.D. regards as a major success. The total failure described by the Post is a far cry from the impressive accomplishments I have observed both from Washington and from two reviews of the program in Panama.

With respect to the four areas of criticism identified in the Post article, my understanding is as follows:

IMPACT ON THE ECONOMY

During the period January 1990 to January 1992 A.I.D. disbursed \$368 million in grant funds for assistance to Panama. The size of Panama's economy is about \$5 billion. There is no way that we could have spent \$368 million in an economy of that size for activities such as housing construction, rehabilitation of public infrastructure, repair and restocking of commercial establishments and credit for new investments without making a significant impact. A principal purpose of our activities was to foster a rapid return of economic growth. In fact, Panama's economy grew an impressive 4.6 percent in 1990 and a remarkable 9.3 percent in 1991. It is incomprehensible how any informed analysis could conclude that this extraordinary recovery, unmatched anywhere in the Western Hemisphere, would have occurred without or without the A.I.D. program.

BOLSTERING THE BANKING SECTION

When the A.I.D. program was initiated in 1990 bank deposits in Panama were frozen. There was a broad consensus, shared by Panamanian officials and the business and financial communities, that unfreezing accounts would present two risks: first, there might be a run on the banks by depositors; second, bankers fearing a possible run might be reluctant to make new loans needed to revitalize the economy and create new employment. Accordingly, A.I.D. developed an innovative program that made available \$108 million to the Government of Panama to buy certificates of deposit from private banks that were prepared to make investment loans.

We are convinced that the confidence given by this program contributed significantly to the fact that the feared run on the banks did

not occur, and that deposits actually increased as new loans were made. The full \$108 million has been disbursed. According to the program design, the participating banks were required to contribute matching funds. The results—3,200 new investments totaling \$243 million were financed and deposits in the banking system increased from \$7.8 billion in December 1989 to \$12.1 billion in March 1992. We cannot be certain that without A.I.D.'s program a run on the banks would have occurred. Nor can we state with certainty that tight credit would have constrained new investment. We are sure that it would have been irresponsible for us to have ignored those risks and are proud of the results of our program.

SPEED OF DISBURSEMENT FOR DEMOCRACY AND POVERTY ALLEVIATION

The A.I.D. program can be characterized as being made up of two kinds of activities—quick disbursing contributions to the "jump start" of the economy and long-term efforts to strengthen Panama's capacity for sustaining credible and accountable democratic institutions and broad opportunities for participation in the economic and political life of the country. Of the 23 projects managed by the A.I.D. Mission in Panama, 12 will extend into fiscal year 1994 and 9 will continue into fiscal year 1995. It is inherent in this project mix that a high percentage of the funds committed to the long-term projects will not be disbursed during the first two years of the program. Any inference that a faster rate of disbursement for long-term projects would represent a wiser or more efficient use of funds would be erroneous.

Rather than look to a false indicator of accomplishment, it would seem useful to recount some of the achievements of the past two years. The single greatest benefit to the poor has been the reduction in unemployment from more than 30 percent to less than 16 percent as a result of the economic reactivation which A.I.D. has supported. In addition:

A.I.D. provided \$20 million for a social emergency fund which has financed over 800 community projects, particularly in long-neglected rural areas, employing more than 8,000 persons.

A.I.D. provided \$13 million for repair and construction of schools and health facilities.

A.I.D. delivered more than 43,000 textbooks to public and private universities.

A.I.D. provided financial support for 378 scholarships for agricultural and technical training for disadvantaged rural youth, as well as more than 100 scholarships for study in U.S. universities.

A.I.D. support to the judicial system has improved court administration and permitted an increase in the number of public defenders and the creation of nine new courts, contributing to the initial declines in the backlog of cases and the number of pre-trial detainees.

A.I.D. is assisting in the modernization of the legislative assembly's operations and management information system.

A.I.D. financed technical assistance to the newly reconstituted Electoral Tribunal supported free and fair local elections in January 1991 and will help the Tribunal to administer a proposed constitutional referendum in 1992 and national elections in 1994.

A.I.D. technical assistance to the Comptroller General is achieving significant improvement in the accountability of public institutions to Panama's citizens.

A.I.D. financed training for 535 community leaders, 372 journalists and media owners, and 445 labor leaders in democratic values and participation.

BALANCE BETWEEN SHORT-TERM STABILIZATION AND LONG-TERM GROWTH AND DEVELOPMENT

A.I.D. attention to policy reform and elimination of obstacles to broadly-based and sustained growth has been a central tenet of our program. A total of \$130 million of appropriated funds was set aside for a U.S. contribution to a multi-donor support group for clearing Panama's arrears to the World Bank and the Inter-American Development Bank. Clearing of arrears was necessary to gain renewed access to financing by those international financial institutions (IFI's) for long-term development needs. In addition, A.I.D. conditioned \$84 million of the \$113 million allocated for public investment by the Government of Panama on reduction in trade barriers, improvements in governmental efficiency and agreement with the IFI's. These measures operated to combine the incentives of A.I.D. resources and those of the IFI's to encourage policy reforms necessary for long-term growth and development.

Conditioning of more than \$200 million on policy reform, together with an ongoing dialogue and technical assistance, has contributed to the following:

Tariffs have been reduced to 90 percent for agriculture and 60 percent for industry, with a commitment to further reductions and the elimination of quotas by 1993.

The Government is eliminating price controls and is closing its office of price regulation.

Panama has applied for membership in the GATT and is participating in the liberal economic integration deliberations underway in Central America.

The Government has reduced the public civilian payroll by 9,000, and is committed to reducing an additional 19,000 public sector jobs by the end of 1993.

The Government has privatized the national airline and two hotels, and is committed to privatize the telephone company.

A reform of the social security system has been legislated.

Legislation has been passed that permits the creation of privately owned export processing zones and provides incentives for investors to establish operations therein.

Panama entered into a bilateral investment treaty with the United States in May 1991.

While much remains to be done, Panama's economic plan and its program loans with the IFI's, supported by A.I.D., represent a good beginning to setting the basis for broadly-based and sustained growth.

In conclusion, from my perspective, your story represents an undeserved and devastating condemnation of outstanding work by A.I.D.'s dedicated and highly competent professional staff. I do not expect you to publish this long and detailed letter. Indeed, if you were to do so that would not remedy the harm that has been done. Instead, I want to offer you an independent evaluation of A.I.D.'s Panama program and ask that you publish its findings.

At my request, the Director of A.I.D.'s Center for Development Information and Evaluation has agreed to commission a study by a term of disinterested experts of the effectiveness of our Panama program. The study, of course, will be made available to the public. If the study confirms the grave allegations of your June 13 story—in effect, that A.I.D. has wasted \$420 million of the taxpayer's money without benefit to the people of Panama—that should be made known. If, on the other hand, we have been responsible stewards of the resources that have

been entrusted to us; simple justice should compel you to mitigate the damage your story has done to the reputation of this Agency and its personnel.

Sincerely,

JAMES H. MICHEL

AGENCY FOR
INTERNATIONAL DEVELOPMENT,
Washington, DC, April 27, 1992.

Memorandum for: AA/LAC, James H. Michel
From: IG, H.L. Beckington.

Subject: Audit of the Panama Assistance
Program Funded by Public Law 101-302
as of November 30, 1991.

This report once again describes a disagreement between the IG and the A.I.D. Mission in Panama which I want to bring to your attention. The disagreement focuses on the \$107.9 million Private Sector Reactivation Program and involves A.I.D.'s lack of assurance that program funds have contributed to the reactivation of Panama's private sector.

The auditors believe that the A.I.D. Mission in Panama did not follow the provisions contained in the A.I.D./W-approved authorization document which would have linked U.S. assistance dollars to new bank lending and to the subsequent purchase of interbank certificates of deposit (ICD's). Rather, the Mission allowed the entire \$107.9 million to be disbursed based on past versus prospective lending activity by Panama's banks. Accordingly, there was no way to assess whether the participating banks would have made the loans in the absence of the program, nor was there a way to determine whether funds received under the program resulted in increased lending for the specific types of activities the program was intended to support. In short, the question remains—what were A.I.D. dollars used for?

The Mission fundamentally disagreed with us concerning the need to follow the original authorization document and to establish a direct linkage between program funds and prospective new lending. The Mission defined the term "new" to be any loans made after the date of the agreement with the Government of Panama, and assuming banks met that criteria, it was not concerned about the use of funds by the banks. It considered the program a success because the funds were fully disbursed and were a source of medium-term deposits available to Panama's banking system.

The issue is still pertinent today because reflows from the repayments of ICD's are now being disbursed and we continue to believe it inappropriate to continue providing funds to reimburse old lending activity by the banks. We are again recommending that the original requirement be adhered to which will result in a more direct linkage between program funds and eligible new private sector activities.

Since we are not making any headway with the Mission in resolving this recommendation, I would like you to consider the issue from your perspective.

AGENCY FOR INTERNATIONAL
DEVELOPMENT,
Washington, DC, June 17, 1992.

Memorandum to: IG, H.L. Beckington.
From: AA/LAC, James H. Michel.

Subject: Audit of the Panama Assistance
Program Funded by Public Law 101-302
as of November 30, 1991.

Ref: Your Memo of April 27, 1992; Same Subject.

In consultation with our Mission in Panama and with our staff here in the LAC Bu-

reau, I have carefully reviewed the issues raised in your April 27 memorandum regarding the implementation of the Private Sector Reactivation Program (PSRP) financed under Public Law 101-302. As you are aware, this program assistance was unique in several aspects, as it responded to the urgent recovery needs of Panama in the wake of Operation Just Cause. Because of this, the Mission consulted with the then Regional Inspector General in Honduras on program design issues to ensure that the program's conceptual framework adequately addressed the issue of accountability. I understand the Regional Inspector General concurred in the approach proposed by the Mission before the Program was authorized.

After carefully reviewing the implementation of the PSRP in Panama, I believe the data demonstrate that: (1) the program was the single most important source of domestic medium term deposits in Panama in 1991; (2) deposits under the program provided an important incentive to the participating banks to increase their medium-term lending activities; (3) participating banks substantially increased their medium-term lending to the private sector after the agreement was signed and the program was made known to them; and (4) the amount of resources made available by the participating banks to the private sector through this program was highly significant in comparison to overall private investment. These facts indicate strongly that PSRP program funds contributed importantly to the reactivation of Panama's private sector, and thus to the current high rate of growth of Panama's gross domestic product.

Disagreement between the Mission and the RIG appears based on two questions:

Did the Mission follow the provisions contained in the A.I.D./W-approved authorization document in implementing the Program?

Was the PSRP program successful in achieving its stated purpose; i.e. were the A.I.D. dollars used effectively?

CONSISTENCY WITH AUTHORIZATION DOCUMENT

The authorized Program Assistance Approval Document (PAAD) for the PSRP states that the purpose of the program is "to assist the GOP to provide immediate liquidity to reactivate the banking system and to permit an increase in credit to the private sector in Panama". Program funds were to be used for the purchase of interbank certificates of deposit (ICD's) to provide liquidity to participating private banks, increasing their medium-term assets and thus enabling them to increase their medium-term lending. Your memorandum indicates your view that there are provisions of the authorization document which would have linked U.S. assistance dollars directly to new bank lending. But the issue of "direct linkage" was explicitly dealt with in the original review of the program in Washington and in pre-approval conversations with RIG/Tegucigalpa, as well as in the authorizing document itself. The PAAD states clearly that A.I.D. intended to track and monitor the dollars only to the point of purchase of ICD's, and made explicit that dollars were not to be tracked to any individual loans or groups of loans. The suggestion in the audit report that the Mission establish a "direct linkage between program funds and prospective new lending," is not consistent with the authorization document, nor with the very concept of program assistance deliberately employed to meet Panama's urgent needs.

As noted in your memo of April 27, a key issue in determining whether the Mission acted consistently with the authorization in

implementing the program is whether the Mission allowed funds to be disbursed based on "past", as opposed to "new", lending by participating banks. As the authorization documents note repeatedly, A.I.D. funds were not to be linked to specific new loans or to new groups of loans, but were to enable an overall expansion of medium-term lending by banks after the initiation of the program. Relevant "new" lending is thus lending by participating banks which occurred after the start of the program. Both the authorization document and the program agreement state that "... program success will be measured on the basis of the annual increase in loans outstanding to the private sector. The baseline for comparison will be June 30, 1990." Thus, lending occurring after this date is, by definition, "new lending" for purposes of this program. The audit report's concern that such lending was not "prospective" relates only to an initial design element of the project, a preview by BNP of 30 days of planned lending by participating banks prior to the disbursement for the ICDs. This preview was dropped during implementation as being unnecessary, given the availability of a much stronger "control" technique, i.e. a review of actual new loans made, to assure they met program criteria prior to disbursement for the ICDs. The implementation decision not to require a preview of prospective lending under these circumstances is not a material deviation by the Mission from the authorization document.

PSRP PROGRAM EFFECTIVENESS

The Program grant agreement stipulates that "... program success will be measured on the basis of annual increases in (medium term) loans outstanding to the private sector." It is on this basis that the success of the program was independently evaluated. Bank resources for domestic medium-term lending are largely a function of domestic medium-term time deposits, such as the interbank ICDs purchased with program funds. As of the pre-program baseline date in June, 1990, total medium-term deposits in participating banks amounted to \$179.7 million. As of March, 1992, such deposits in the same banks amounted to \$329.3 million, or an increase of \$149.6 million. Of this increase \$107.7 million, or 72%, is directly attributable to the PSRP. Over this same period, the value of medium-term loans of these banks increased from \$708.7 million to \$1,124.8 million, an increase of \$416.1 million in lending to the private sector. Of this increase, \$215.4 million, or 52% is attributable to medium-term deposits made under the program. Even when compared to estimates of total private investment, approximately \$600 million, the investment resulting from the program can be seen as highly significant, constituting over 35% of the total.

The LAC Bureau believes that the Mission carried out the Program in accordance with the original authorization document provisions that the program was successful in achieving its purpose. The essential purpose of the Program was to provide an injection of liquidity to general license banks to support the GOP's decision to unfreeze bank deposits and to permit an increase in the funds available for medium-term lending. Because USAID/Panama did not intend and was not obliged to trace its funds to specific loans, it is not accurate to say that A.I.D. does not know how these funds were used. The funds were used to buy medium term certificates of deposit which enabled Panama's private banks to increase their medium-term lending to the private sector. This was, by definition, the end use of the A.I.D. funds.

Along with the Government of Panama (GOP), I believe that the Program made a significant contribution to the recovery of the banking system, the reactivation of medium term lending by general license private banks, and in turn to productive investment by the private sector. Therefore, consistent with the Grant Agreement, the GOP and USAID/Panama have decided that effective June 15, 1992, reflows from the program will be used exclusively to pay non-military U.S.G. bilateral debt. Reflows are no longer needed to support new private sector lending activity, which has recovered significantly and now appears quite healthy.

I hope the above information is helpful in clarifying apparent misunderstandings of the intent of this Program. Our Mission in Panama is separately providing the RIG with a detailed response to these and other audit issues contained in the final audit report. If there is any additional information we can provide you, please let me know.

Mr. LEAHY. Mr. President, I would just end by saying, you do not solve a problem by throwing money at it. Let us forget the political rhetoric and do what is right.

I thank the Chair.

Mr. MOYNIHAN addressed the Chair. The Senator from New York.

Mr. MOYNIHAN. May I ask unanimous consent that the time for routine morning business be extended for 5 minutes.

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

Mr. MOYNIHAN. I yield 30 seconds to the Senator from Alaska.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. I thank the Senator from New York.

A POLITICIAN'S DREAM IS A BUSINESSMAN'S NIGHTMARE

Mr. STEVENS. Mr. President, quoting Justice Felix Frankfurter, former Senator George McGovern stated, "Wisdom too often never comes, and so one ought not to reject it merely because it comes late."

He wrote an article, entitled "A Politician's Dream Is a Businessman's Nightmare," which appeared in the Wall Street Journal on June 1.

I missed it. I think other Senators may have.

I ask unanimous consent that Senator McGovern's article be printed in the RECORD.

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

A POLITICIAN'S DREAM IS A BUSINESSMAN'S NIGHTMARE

(By George McGovern)

Wisdom too often never comes, and so one ought not to reject it merely because it comes late.—JUSTICE FELIX FRANKFURTER.

It's been 11 years since I left the U.S. Senate, after serving 24 years in high public office. After leaving a career in politics, I devoted much of my time to public lectures that took me into every state in the union and much of Europe, Asia, the Middle East and Latin America.

In 1988, I invested most of the earnings from this lecture circuit acquiring the leasehold on Connecticut's Stratford Inn. Hotels, inns and restaurants have always held a special fascination for me. The Stratford Inn promised the realization of a longtime dream to own a combination hotel, restaurant and public conference facility—complete with an experienced manager and staff.

In retrospect, I wish I had known more about the hazards and difficulties of such a business, especially during a recession of the kind that hit New England just as I was acquiring the inn's 43-year leasehold. I also wish that during the years I was in public office, I had had this firsthand experience about the difficulties business people face every day. That knowledge would have made me a better U.S. senator and a more understanding presidential contender.

Today we are much closer to a general acknowledgement that government must encourage business to expand and grow. Bill Clinton, Paul Tsongas, Bob Kerrey and others have, I believe, changed the debate of our party. We intuitively know that to create job opportunities we need entrepreneurs who will risk their capital against an expected payoff. Too often, however, public policy does not consider whether we are choking off those opportunities.

My own business perspective has been limited to that small hotel and restaurant in Stratford, Conn., with an especially difficult lease and a severe recession. But my business associates and I also lived with federal, state and local rules that were all passed with the objective of helping employees, protecting the environment, raising tax dollars for schools, protecting our customers from fire hazards, etc. While I never have doubted the worthiness of any of these goals, the concept that most often eludes legislators is: "Can we make consumers pay the higher prices for the increased operating costs that accompany public regulation and government reporting requirements with the reams of red tape." It is a simple concern that is nonetheless often ignored by legislators.

For example, the papers today are filled with stories about businesses dropping health coverage for employees. We provided a substantial package for our staff at the Stratford Inn. However, were we operating today, those costs would exceed \$150,000 a year for health care on top of salaries and other benefits. There would have been no reasonable way for us to absorb or pass on these costs.

Some of the escalation in the cost of health care is attributed to patients suing doctors. While one cannot assess the merit of all these claims, I've also witnessed firsthand the explosion in blame-shifting and scapegoating for every negative experience in life.

Today, despite bankruptcy, we are still dealing with litigation from individuals who fell in or near our restaurant. Despite these injuries, not every misstep is the fault of someone else. Not every such incident should be viewed as a lawsuit instead of an unfortunate accident. And while the business owner may prevail in the end, the endless exposure to frivolous claims and high legal fees is frightening.

Our Connecticut hotel, along with many others, went bankrupt for a variety of reasons, the general economy in the Northeast being a significant cause. But that reason masks the variety of other challenges we faced that drive operating costs and financing charges beyond what a small business can handle.

It is clear that some businesses have products that can be priced at almost any level. The price of raw materials (e.g., steel and glass) and life-saving drugs and medical care are not only easily substituted by consumers. It is only competition or anti-trust that tempers price increases. Consumers may delay purchases, but they have little choice when faced with higher prices.

In services, however, consumers do have a choice when faced with higher prices. You may have to stay in a hotel while on vacation, but you can stay fewer days. You can eat in restaurants fewer times per month, or forgo a number of services from car washes to shoeshines. Every such decision eventually results in job losses for someone. And often these are the people without the skills to help themselves—the people I've spent a lifetime trying to help.

In short, "one-size-fits-all" rules for business ignore the reality of the marketplace. And setting thresholds for regulatory guidelines at artificial levels—e.g., 50 employees or more, \$500,000 in sales—takes no account of other realities, such as profit margins, labor intensive vs. capital intensive businesses, and local market economics.

The problem we face as legislators is: Where do we set the bar so that it is not too high to clear? I don't have the answer. I do know that we need to start raising these questions more often.

Mr. MOYNIHAN addressed the Chair. The PRESIDING OFFICER. The Senator from New York.

JUDICIAL NOMINATIONS

Mr. MOYNIHAN. Mr. President, I rise to call attention to a serious matter that the Senate ought to concern itself with, which is the hold that has been placed on the nomination of four Federal judges, reported out of the Judiciary Committee unanimously early in June, and yet not acted upon, held at the desk as a consequence of the wishes of individual Senators who really are not involved with the judicial districts concerned and who do not come forward, even, and say who they are.

On June 11, the Judiciary Committee by unanimous vote reported four Federal court nominees for Senate confirmation: Susan H. Black for the 11th Circuit Court of Appeals; Irene M. Keeley for the Northern District of West Virginia; Loretta A. Preska, and Sonia Sotomayor, each for the Southern District of New York. Each of these nominees has a distinguished background and their nominations were accompanied not only by no controversy but by the most emphatic support from bar associations and the like. Yet they are held at that desk. In the case of Ms. Black, a Democratic Senator has a hold. In the other three cases: Ms. Keeley, Ms. Preska, Ms. Sotomayor, Republican Senators have said they may not be called up.

I understand this takes place in the context of a dispute over the nomination of Edward E. Carnes for the 11th Circuit Court of Appeals. That pattern has been seen here before. But, last Thursday, four—shall I say it—white

male Republicans were reported out of the Judiciary Committee and the next day confirmed by the Senate under a unanimous-consent request.

If all nominations were to be held up, that is something that we learn to live with and accommodate and work out. But I hope we do not find a situation in which, if you happen to be a white Republican male you go right through, and if you are, as in the case of the two judges to be from the Southern District of New York, if you happen to be female, and in one case happen to be recommended by a Democrat, you just stay up there.

The Southern District of New York, I might add, has a judicial emergency, so declared by the Judicial Conference.

Sir, I will conclude by simply saying those two judges-to-be, Loretta Preska and Sonia Sotomayor, are being held up by Republican objections from the other side. I do not wish to be partisan in this matter. I hope I typically am not. But that is inescapably the fact. I hope, sir, those facts might change before we leave for the Fourth of July weekend.

Mr. President, I thank you for your courtesy and thank the Senate for allowing me to extend morning business.

I yield the floor, sir. I believe the time for routine morning business has ended?

ARMED FORCES RECRUITING

Mr. HEFLIN. Mr. President, I am deeply concerned by statements made here on the Senate floor and in the media that suggest that with the end of the cold war, the Armed Forces should greatly scale back their recruiting efforts. At first, the logic of these critics seems clear: Smaller forces means fewer recruits; fewer recruits equals a proportionately smaller recruiting budget. Unfortunately, as is usually the case, the truth is more complex.

Though all of the services are caught in the recruiting budget crunch, today I will speak about the problems of my own branch, the U.S. Marines. In my opinion, 25 percent of the corps personnel are exceptional, 60 percent are average, and 15 percent are performing below average. The same is probably true of GM or Ford. But unlike these private companies, the Marines experience a turnover of approximately 30 percent per year. Even though this level of turnover would easily put a company like GM out of business, the Marines are expected to be ready to defend the country at any moment.

If they are to maintain this level of readiness, the key to effective downsizing for the Marines will be to identify the below average 15 percent and replace them with high-quality recruits. These top notch recruits are not going to just walk in off the streets and ask the join the Marines. The only

way to find these high quality men and women is to have an outstanding recruiting program that includes mass media advertising.

The draft is gone. To fill their quotas, the Marines have to win hearts and minds, which all parents know is no easy task. I can remember a time when young people fled the country rather than enter the military. Bright young men and women are more likely to dream of becoming a billionaire like Ross Perot than of spending time in the military serving their country. Even the once promised job security is no longer guaranteed. But if the services fail to attract high quality American youth, if they do not have an effective recruitment program, they will be forced to lower their standards. Perhaps certain community activists would see it as a service to communities for the corps to again begin to accept high school dropouts, but I doubt these activists ever spent any time in the military.

General Mundy, Commandant of the Marine Corps, recently wrote me describing his experiences during the seventies, a historic low point for the Armed Forces. He graphically presented what we can expect from our Marines if we backtrack and lower the entry requirements to what they were during those days. I would like to share some of his experiences:

Of the 1,100 Marines in his battalion in 1974, only 37 percent were high school graduates. Another third were either drug abusers, law offenders, or manifested other forms of social maladjustment. Three of the eight mortars in his battalion were operable at any given time; only forty percent of his vehicles functioned; the majority of his communications equipment did not work; and the supply accounts were mismanaged. They had riots in the mess halls, gangs roamed the streets of our military camps, and officers were assaulted by enlisted men.

Mr. President, we simply cannot allow our military to regress back to this level. We have to keep standards high. To do so will cost significant amounts of money, but I see this money as an insurance policy that will guarantee the future security of our great country.

In the House of Representatives fiscal year 1993 Defense authorization bill, the Marine Corps recruiting budget request was cut by \$7.2 million. The House also increased the Marine Corps Reserve end strength by 3,600 positions. In effect, the Marines are being told to do more with less at a time when people are not exactly beating down the doors to enlist.

Marine reservists learned in Desert Storm that they had committed themselves to much more than just one weekend a month.

These men and women had pledged to travel around the world to fight for their country should they be called upon by their Commander in Chief. They went to the desert bravely, but

none will deny that their decision to join the Reserves caused both personal and family hardship. Some returned to find their businesses lost, others lost their marriages, and most tragically, some lost their lives. This experience may well cause many to leave the Reserves, and cause many to think again before joining.

Recruiters for the active duty corps are experiencing similar problems. While young people have always shown some degree of fascination with the military, it is the top career choice of very few. They certainly do not, as a body, seek to join the military. In fact, the latest DOD Youth Attitude Tracking Survey shows a statistically significant decline in propensity to enlist. We all know, however, that bright young Americans are attracted by quality advertisements. Historically, Department of Defense surveys indicate that those who have seen their advertising are twice as likely to consider serving with the corps than those who have not. The Marine Corps ads create this attraction, then backs it up by having a carefully trained, highly effective sales force in the area. Recruiting is one of the hardest jobs in the military, but it is one vital to our national security. We simply must give the services the resources they need.

Again, to quote General Mundy:

In the final analysis, the expenses involved with an effective recruiting program, to include national advertising, pales in significance when compared with the expense involved with a low quality military personnel structure.

I urge my colleagues to take this message to heart and not rush to make funding cuts that we well may regret for years to come.

Thank you, Mr. President.

RETIREMENT OF GEN. JOHN R. GALVIN

Mr. WARNER. Mr. President, I rise today on the occasion of the retirement of Gen. John R. Galvin, since June, 1987 our commander in chief, U.S. Forces, Europe and Supreme Allied Commander, Europe.

General Galvin's illustrious career spanned the years of the cold war. He joined the Massachusetts National Guard in 1948 as a private and will retire today, June 30, 1992—44 years later—as a four-star general. General Galvin is an infantryman and a soldier's soldier. He spent the early years of his career in Vietnam, Latin America, and Germany. He went on to command the 3d Infantry Division Support Command, the 24th Infantry Division at Fort Stewart, GA, and the 7th U.S. Corps in Europe. In addition, he was commander in chief of the United States Southern Command in Panama, commander in chief United States European Command in Germany, and the Supreme Allied Commander, Europe.

Perhaps one of General Galvin's greatest achievements came while serving as Supreme Allied Commander, Europe. It was during this memorable period that the Treaty on Conventional Forces in Europe was negotiated, that the Berlin Wall came down, and that the Warsaw Pact and the Soviet Union ceased to exist.

Without missing a beat, General Galvin adjusted brilliantly to the new strategic environment. He managed the reduction of intermediate-range nuclear weapons and the retrograde of U.S. chemical weapons from Europe. He provided expert military advice during the negotiations, and later the implementation of the Conventional Forces in Europe Treaty. General Galvin also contributed immeasurably to the adjustment of NATO's evolving strategy, force structure, and command arrangements and concentrated his extraordinary personal energy on ensuring the successful development of the military-to-military contacts program with the nations of the former Warsaw Pact. In short, General Galvin has been instrumental in guiding NATO toward a new European security structure.

Mr. President, in last Thursday's Washington Post, there was an article about General Galvin which provides some keen insights into the character of this distinguished military leader. I ask unanimous consent, Mr. President, that this article be included in the RECORD following my remarks.

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

(See exhibit 1.)

Mr. WARNER. In December of last year, I had the opportunity, while on a visit to Europe, to be accompanied by General Galvin on a tour of the Waterloo battlefields. General Galvin's knowledge and expertise in military history, strategy, and tactics, made our tour extraordinarily enjoyable and educational. I will always appreciate his taking the time to walk the terrain of those historic fields of battle with me.

General Galvin's advice has been sought by American Presidents and by Heads of State and Ambassadors of numerous other countries. The testimony General Galvin has given this body over the years has been remarkable for its clarity and its vision. He is truly one of the most able, energetic, and thoughtful military leaders of our generation. He will be sorely missed.

We extend to General Galvin and his wife, Ginny, our sincere best wishes for a long and happy retirement. And to this wonderful army family, including his daughters Mary Jo, Beth, Kathleen, and Erin, our gratitude for the contributions and sacrifices you have made over these many years for our Nation.

Good luck and Godspeed.

EXHIBIT 1

[From the Washington Post, June 25, 1992]

RETIRING NATO CHIEF SURVIVED ROCKY START

(By Barton Gellman)

For the third time in as many years, the maverick lieutenant colonel was at the brink of being fired.

The scene was a Vietnam fire base in 1970. Though he had buffaloed his way to command of a battalion, John R. Galvin figured he was in the twilight of an undistinguished Army career. He had been relieved of one important job as a major and eased out of another the following year.

Now, his brigade commander had ordered up what Galvin regarded as a suicide mission, and Galvin responded with another career-defying leap.

"I said, 'Colonel, I am not about to do what you just said because I think it's stupid and it'll get a bunch of people killed,'" Galvin recalled in a recent interview, the substance of which was confirmed by two contemporaries, "And so if you don't like my plan, then you find somebody else to run the battalion."

Galvin, 63, who stepped down yesterday as NATO's supreme commander, survived that imbroglio and many others in a 44-year career that probably could not be repeated in today's unforgiving military culture. He departs with a stature that leaves him arguably without peer among living generals.

In Europe and in the national security establishment, Galvin will be remembered not only as the last Cold War SACEUR (Supreme Allied Commander, Europe) but also as a man who anticipated and helped shape a new era.

Galvin came into the job in 1987 with the reputation of a fierce anti-communist. He spent his first months in the Mons, Belgium, headquarters fighting for new short-range nuclear weapons to deter a Soviet thrust across the Central German plains. He is leaving as a consummate diplomat who more than any other Westerner gave Moscow's generals the confidence to let their war machine unravel, and who engineered a new role and structure for NATO.

Galvin's own memories were more personal in the interview in the Pentagon's sealed-off Joint Staff corridor, where he recounted stories of early- and mid-career adventures that aides said he has not told before.

Son of a Massachusetts bricklayer, Galvin was not born to the Army, nor did he come to it—or take to it—right away. In quick succession in 1947, the young Galvin dropped out of Boston University and then Merrimac College's pre-medical program. He went to art school, dreaming of a career as a cartoonist.

He even sold a cartoon once, "which gave me a great deal of ambition," he said. It showed an organ grinder with a big mustache, "and instead of having a monkey, he had a gorilla. And this gorilla had a guy, and he was shaking him upside down and all the guy's coins are falling out his pockets." The caption: "I make a lot more money since he grew up."

But Galvin also joined the Massachusetts National Guard as an enlisted soldier, "basically because the money came in handy," he said. His sergeant persuaded him to take the test for West Point, and he became the first in his family to obtain a college degree.

William A. Boucher, a West Point roommate who retired as an Air Force colonel, said Galvin's academy career was distinguished mainly by his cartoons in the

monthly "Pointer and the Howitzer" yearbook. Ben Schemmer, another classmate, said Galvin helped steal the Naval Academy's mascot goat in 1953 and "almost set a record" for "walking the area," a form of punishment for minor campus infractions.

"There was certainly nothing outstanding in his academic career," said Boucher, who remembers Galvin nonetheless as a man to whom others naturally listened. "Let's just say we had many late night discussions on how to handle math problems."

Galvin said he had few thoughts of making a career of the Army, but "right from the beginning they gave me something that absolutely fascinated me and that was responsibility."

Galvin took it seriously, setting a pattern early on of doing what he thought was right, whether or not it tended to please his superiors.

In 1968, after one too many clashes, Maj. Gen. William DePuy fired him as a brigade operations officer in the 1st Infantry Division in Vietnam. It was a "devastating kind of thing" for a young major, Galvin said. "The way I was doing things wasn't what you'd call career-enhancing."

After a brief stint in Washington, Galvin volunteered to return to Vietnam. He landed at Cam Ranh Bay, ignored orders to wait for an assignment, and hitched a ride to the headquarters of the 1st Cavalry Division.

Lt. Gen. H.P. Taylor, who now commands the Army's III Corps in Texas, remembers Galvin's arrival.

"He was a kind of shrimpy looking, rumped little guy, you know, and I says, 'I wonder what I got here,' but as soon as he opened his mouth and asked a few questions, I knew I had something a lot more than his initial appearance indicated," Taylor said.

Galvin marched up to Col. Joseph Kingston, the division chief of staff, and told him he wanted command of a battalion. Six months later, improbably, he got it.

The day that Galvin nearly lost that job began with a carefully crafted plan to ambush the Viet Cong at three chokepoints along an extensive trail system. Galvin briefed Col. Carter W. Clarke, Jr. on his next morning's ambush plans, and by several accounts the brigade commander insisted that Galvin instead assault the enemy frontally—at once. (Galvin did not refer to Clarke by name, but other officers confirm division records of his identity.)

"I said, 'Well, see, it's getting dark now and they're out of artillery range,'" Galvin said. "He said, 'I told you to do it now . . .'" So this guy had told me some dumb things before, so I said to him, 'Colonel, could we just take a walk outside for a minute.'"

In defying Clarke's orders, Galvin recalled being confident the colonel "wouldn't dare to fire me because he didn't have the guts."

But Clarke, according to Galvin and retired Gen. Edward C. Meyer, then the division chief of staff, took out his ire on Taylor, who had become Galvin's battalion operations officer. In Taylor's next fitness report, Clarke "just wiped him out," Galvin said. Galvin led a successful campaign to reverse Clarke's verdict, which would almost certainly have driven Taylor out of the Army.

Galvin often took great personal risks for his soldiers and officers, according to many who served with him. In turn he has inspired extraordinary warmth and loyalty.

Vice Adm. Leighton W. "Snuffy" Smith Jr., among the most irreverent of officers, told a Navy War College audience last week that "I will revere him—is that the right

word? I will love him for the rest of my life." Smith served as Galvin's director of operations for the U.S. European Command.

Never a chest thumper, Galvin has avoided the muscular rhetoric, much in vogue at the Pentagon, that speaks of "winning" and "victory" in the Cold War. Galvin is said to regard those terms as inflammatory, and speaks only of "mission accomplished."

He is much the same in his personal bearing, leaving most of his decorations and badges—including the Silver Star for valor—off his uniform except on formal occasions.

"I've always asked him, 'How did you get your medals?'" said Schemmer, until recently editor of the Armed Forces Journal International. "He'll never tell me."

TODAY'S BOXSCORE OF THE NATIONAL DEBT

Mr. CRAIG. Mr. President, Senator HELMS is in North Carolina recuperating following heart surgery, and he has asked me to submit for the RECORD each day the Senate is in session what the Senator calls the congressional irresponsibility boxscore.

The information is provided to me by the staff of Senator HELMS. The Senator from North Carolina instituted this daily report on February 26.

The Federal debt run up by the U.S. Congress stood at \$3,946,125,992,881.32, as of the close of business on Friday, June 26, 1992.

On a per capita basis, every man, woman, and child owes \$15,363—thanks to the big spenders in Congress for the past half century. Paying the interest on this massive debt, averaged out, amounts to \$1,127.85 per year for each man, woman, and child in America—or, to look at it another way, for each family of four, the tab—to pay the interest alone—comes to \$4,511.40 per year.

MEMORIAL FOR CAPT. THOMAS WADSWORTH

Mr. SYMMS. Mr. President, among the important resources the State of Idaho has access to, its great patriots often receive the least amount of recognition. To many, Idaho has been branded "the Potato State," which often leads to the belief that potatoes are our only export.

In truth, past leaders of Idaho have played an active role in helping our Nation develop into a thriving world power. Statesmen such as former Senator William Borah, past Gov. George Shoup, and recently deceased diplomat Phil Habib dedicated exemplary service throughout their careers to Idaho and to the United States.

On June 8, another great Idaho leader passed away.

Many who knew Capt. Thomas J. Wadsworth felt he had the leadership ability, knowledge, and courage to be characterized as a true patriot. In his days, he surpassed even those lofty expectations, for he succeeded in keeping strong ties with his family, home, and church, as well as his country.

Captain America, as many people called him, accomplished such a number of things throughout his career, an exhaustive list of his achievements is nearly impossible. Among his most noteworthy feats:

Civil Defense Director, Bonneville County, ID, for 19 years.

President of the National Coordinating Council on Emergency Management in region X.

President of the American Society of Professional Emergency Planners.

President of the Idaho Civil Defense Association.

Recipient of the Idaho Falls Kiwanis Distinguished Citizen Award.

Served as both chairman and initiator of the Idaho Falls Independence Day Parade.

Invited to join the American emergency management team to visit China.

Chairman of Vietnam War Veterans' Welcome Home Parade.

Member of the advisory board, Teton Peaks Council of the Boy Scouts of America.

Recipient of the Boy Scouts' Silver Beaver Award.

In honor of Thomas Wadsworth, and in honor of his wife, Frances, and his daughter, Debbi Sue, I ask unanimous consent that an article which appeared in the Idaho Falls Post Register be printed in the RECORD following my remarks.

Mr. President, it has been said society should learn from the past. I cannot tell you how beneficial a firm grasp of the motivation and character of Capt. Thomas Wadsworth would be on the impressionable youth of our Nation. He stood as a true American patriot and as a perfect representative of what our forefathers believed in.

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

[From the Idaho Falls Post Register]

CEREMONY HONORS T. J. WADSWORTH

(By Loren Petty)

A Flag Day ceremony Sunday at the Bonneville County Courthouse was dedicated to the memory of former county Civil Defense director Capt. Thomas J. Wadsworth, who died June 8.

The ceremony also celebrated the 100th birthday of the pledge of allegiance and the 216th anniversary of the stars and stripes.

"We dedicate this ceremony to Captain Wadsworth, our friend and leader and great American," said Delbert Groberg, chairman of the Bonneville Tricentennial Commission.

Bonneville County Commissioner Clifford Long said the county planned to replace the present flag pole, in front of the courthouse, with a new three-flag system that would be dedicated to Wadsworth.

Francis Wadsworth said the greatest tribute her husband could have would be the new flagpole. She said he had mentioned to her several times the need for a new flagpole.

Lisa Hansen, who worked as Wadsworth's secretary in the office of Civil Defense, called Wadsworth "a perfect gentleman—and a perfect civil defender too."

Hansen listed a number of awards Wadsworth received and read a letter from Idaho Gov. Cecil Andrus.

Andrus said Wadsworth was the personification of patriotism, justice, strength, fairness and compassion. "He devoted his life to making the country strong."

Rep. Richard Stallings, D-Idaho, recalled accompanying Wadsworth to the 1991 national Civil Defense meeting in Las Vegas, where he was impressed by the respect others there had for Wadsworth and the fact that many of them sought him out for advice.

Dixie Richardson, representing Sen. Steve Symms, R-Idaho, said Wadsworth was "perhaps the greatest patriot we have ever had the privilege to know."

Jeff Sehrade, representing Sen. Larry Craig, R-Idaho, said Wadsworth was known to some as "Captain America, a complete American patriot."

Don Larsen, with the Teton Peaks Boy Scouts, spokes of the Cedar Badge leadership training program Wadsworth originated, and a group of Cedar Badge Scouts presented replicas of the 12 flags which have flown over the United States. The national anthem was played, and participants recited the pledge to the flag as part of a nationwide, synchronized event in honor of its 100th anniversary.

CONGRESS/BUNDESTAG STAFF EXCHANGE

Mr. BURDICK. Mr. President, this is the 10th year that the U.S. Congress and the German Bundestag have had a staff exchange, and I would like to welcome 10 staff people from the German Bundestag and Bundesrat who recently arrived in Washington, DC. The 1992 German delegation consists of Joerg Alkkaemper, Rainer Dornseifer, Walter Greite, Dr. Astrid Henke, Dr. Lothar Kolbe, Gabriele Lenz-Hrbek, Ute Mueller, Wolfgang Mueller, Dr. Andreas Pinkwart, and Dr. Uwe Stehr. They will be attending a wide range of meetings in the next 3 weeks as they study our system of government.

Nine staff people from the United States House, Senate, and Congressional Research Service recently spent 2 weeks in Germany studying their system. This year's U.S. delegation attended briefings at the Chancellor's Office, the Foreign Ministry, the Economics Ministry and the Defense Ministry. They also met with Georg-Berndt Oschatz, Secretary-General of the Bundesrat, and other high-level officials in both Eastern and Western Germany.

This exchange provides a valuable opportunity for staff people in the legislative branches of two of the world's leading democracies to compare notes on topics ranging from abortion to parliamentary procedure, from economic problems to German-American cooperation. I would like to take this opportunity to commend the U.S. Information Agency for this worthwhile program to improve understanding and relations between our two countries.

RECOGNIZING THE DISTINGUISHED SERVICE OF MR. WILLIAM THOMAS HENZE

Mr. DIXON. Mr. President, I would like to take this opportunity to recognize the hard work and the outstanding contributions of a great Illinoisan and American, Mr. William Thomas Henze.

Bill Henze has recently retired from 44 years in the steel industry, the last 19 years spent with Jorgensen Steel and Aluminum in Schaumburg, IL. During those 44 years Bill's quick wit and vibrant attitude was never spared on any one individual. He is an exceptional example of business and civic leadership.

Bill has served his customers and his fellowman with great distinction over the years, and should be very proud of his fine accomplishments. He will be hard to replace.

I would like to join my voice with those of his family and many friends in wishing Bill the very best for a job well done.

RETIREMENT OF LT. GEN. ROBERT HAMMOND

Mr. SHELBY. Mr. President, I rise to pay tribute to an outstanding officer, Lt. Gen. Robert D. Hammond, who will retire today after 36 years of service to our Nation and the U.S. Army.

Since receiving a bachelor of science degree in 1956 from the U.S. Military Academy, General Hammond has held a wide variety of important command and staff positions culminating in his current assignment as Commanding General of the U.S. Army Strategic Defense Command. His service in Vietnam, first as the assistant fire support coordinator, division artillery, 101st Airborne Division and then as commander of the 2d Battalion, 319th Field Artillery, as well as command positions such as Chief, Studies, Analysis and Gaming Agency of the Joint Chiefs of Staff and Commanding General, VII Corps Artillery, U.S. Army Europe provided General Hammond a strong foundation for the sometimes difficult, but always rewarding experience as head of the Strategic Defense Command.

I believe that this country owes a debt of gratitude to General Hammond for the honest, forthright way in which he has been an advocate for strategic defense. As program executive officer for all Army SDI programs, General Hammond has put our Nation on a course toward the deployment of a ground-based strategic missile defense and theater missile defenses. His thorough knowledge of all strategic programs and management expertise will be sorely missed.

General Hammond received many awards and decorations during his 36 years in the Army. These awards include the Defense Superior Service Medal, the Legion of Merit with oak leaf clusters, the Distinguished Flying

Cross, Bronze Star, Air Medals, and the Army Commendation Medal.

Bob Hammond tried to retire back in February. However, he has stayed on to provide a firm foundation for the Army during the implementation of the Missile Act of 1991. He acted courageously in his attempt to carry out the wishes of Congress.

I wish General Hammond well in all his future endeavors and thank him on behalf of the people of Alabama and our great Nation for a life of service to America.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate will stand in recess until the hour of 2:15 p.m.

Thereupon, at 12:43 p.m., the Senate recessed until 2:17 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer [Mr. ADAMS].

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, morning business is closed.

FEDERAL HOUSING ENTERPRISES REGULATORY REFORM ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 2733, which the clerk will report.

The bill clerk read as follows:

A bill (S. 2733) to improve the regulation of Government-sponsored enterprises.

The Senate resumed consideration of the bill.

Pending:

Seymour (for Nickles) Amendment No. 2447, to propose an amendment to the Constitution of the United States to require that the budget of the United States be in balance unless three-fifths of the whole of each House of Congress shall provide by law for a specific excess of outlays over receipts and to require that any bill to increase revenues must be approved by a majority of the whole number of each House.

Byrd Amendment No. 2448 (to Amendment No. 2447), to require the President to submit by September 2, 1992, a 5-year plan to balance the budget not later than September 30, 1998.

Byrd Amendment No. 2449 (to Amendment No. 2448), in the nature of a substitute.

The PRESIDING OFFICER. The Senator from Wisconsin [Mr. KASTEN] is recognized to offer an amendment on which there shall be, under the previous order, 2 hours of debate.

AMENDMENT NO. 2453 TO AMENDMENT NO. 2447

(Purpose: To provide for a taxpayer protection clause)

Mr. KASTEN. Mr. President, I call up amendment No. 2453 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wisconsin [Mr. KASTEN] for himself, Mr. BROWN, Mr. LOTT, Mr. COATS, Mr. SYMMS, Mr. BURNS, Mr. SMITH, Mr. HELMS, Mr. D'AMATO, Mr. MACK, Mr. GARN, Mr. MURKOWSKI, Mr. MCCAIN, Mr. PRESSLER, Mr. ROTH, Mr. SEYMOUR, Mr. NICKLES, Mr. GRASSLEY, Mr. DOLE, Mr. GRAMM, Mr. MCCONNELL, Mr. WALLOP, Mr. SIMPSON, and Mr. COCHRAN proposes an amendment numbered 2453.

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

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

The amendment is as follows:

Strike section 4 of the proposed amendment to the Constitution and insert the following:

"SEC. 4. Total receipts for any fiscal year shall not increase by a rate greater than the rate of increase in national income in the second prior fiscal year, unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directly solely to approving specific additional receipts and such bill has become law."

The PRESIDING OFFICER. The Senator is recognized.

Mr. RIEGLE. Will the Senator yield to me for one moment?

Mr. KASTEN. I will be happy to yield.

Mr. RIEGLE. Mr. President, I ask unanimous consent that during the course of the management of time on this side of the aisle on the amendment of the Senator from Wisconsin that any Democratic Senator who wishes to speak and draw down that time be authorized to do so. I do that because at some point I must go and chair a hearing in the Finance Committee on health care. I just want to have that understanding in place.

The PRESIDING OFFICER. The Chair, though, will have to be very careful, I hope the manager understands, in recognizing who is for and against of the Democratic Senators. I will recognize trying to alternate the time, but I cannot be sure that I am alternating the argument. Is that understood by the manager?

Mr. RIEGLE. Yes, and that is agreeable to the Senator. I thank the Senator from Wisconsin.

The PRESIDING OFFICER. Without objection, it is so ordered. We will proceed on that basis. The Senator from Wisconsin is recognized.

Mr. KASTEN. Mr. President, this amendment is a taxpayer protection amendment. It will require a supermajority vote to raise taxes beyond the rate of economic growth.

Let me start out by saying that this is not a vote that is a procedural vote. This, in fact, is a vote on the substance of the tax limitation balanced budget amendment.

It is not a vote on a procedural motion. It is not a vote on a budget point of order. It is not a vote on cloture. It is a vote on the substance. We have not

had a vote on the substance of a balanced budget amendment since 1986. The last time we were successful in winning this vote was 1982.

As we have all agreed now under a unanimous consent agreement, this will be the only substantive vote on a constitutional balanced budget limitation, the only one we will have in the Senate, unfortunately, for the remainder of this session.

I think it is important to recognize that we need a strong taxpayer protection clause to the balanced budget amendment. We simply cannot allow the Congress to use the balanced budget, in effect, as a Trojan horse for tax increases. This taxpayer protection provision would require Congress to muster a three-fifths supermajority vote to let the Federal Government's income grow faster than the paychecks of American workers.

Let me say why this is important. First of all, it is a matter of basic fairness. We should not let Government income grow faster than the income of America's families.

Second, some Members of Congress still cling to the notion that tax increases will solve our problems. But every time we raise taxes, the deficit has gone up instead of down. Over the last 30 years, Congress has raised taxes 56 times but balanced the budget only once, one time, and that was in 1969.

Let me repeat. Congress raised taxes 56 times but balanced the budget only once over the past 30 years.

Mr. President, I yield 2 minutes to the Senator from Texas, Mr. GRAMM.

The PRESIDING OFFICER. The Senator from Texas [Mr. GRAMM] is recognized for 2 minutes.

Mr. GRAMM. Mr. President, you do not have to be a rocket scientist to figure out this amendment. This amendment says that we want a constitutional provision to mandate that Congress balance the budget and we want them to do it by controlling spending. It says that raising taxes represents the last option and not the first option. And basically, it does so based on the fact that the last time we balanced the budget was 1969. We have raised taxes 37 times since 1969, and we have yet to balance the budget, again as a result of those tax increases.

So if people vote against this amendment, what they are doing is saying: First, they do not want to mandate a balanced budget amendment to the Constitution; or second, if they do want to mandate it, they want to raise taxes rather than control spending to balance the budget; or third, they do not want to mandate it and they do not want to make it harder to raise taxes.

So I think this is a very clear amendment. I doubt this amendment has much chance of being adopted, but I think, if the American people could write the balanced budget amendment to the Constitution, they would write

it exactly the way Senator KASTEN has offered it.

I am proud to support this amendment. I am proud to vote for it. The people who vote against it are the people who do not want to balance the budget, or, if they want to balance it, they want to do it by raising taxes. I do not agree with them on either count.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KASTEN. Mr. President, I yield 2 minutes to the Senator from Idaho [Mr. SYMMS].

The PRESIDING OFFICER. The Senator from Idaho [Mr. SYMMS] is recognized for 2 minutes.

Mr. SYMMS. Mr. President, I guess the right way to view this amendment is, if you love Government, big spending regulations, big deficits, then vote against the Kasten amendment.

This is a litmus test issue, and I would like to compliment the distinguished Senator from Wisconsin for his ability to focus and bring an issue to the floor that is easily defined and easily understood by the American people. This is, Mr. President, no question about it, a litmus test issue.

As the Senator from Texas said, you do not have to be a rocket scientist to understand what this is all about. If you want to raise taxes and have a bigger Government and worship at the continued shrine of an ever-growing Federal Government in the United States of America, vote against the Kasten amendment.

Mr. President, I am reminded of the political satire of the great author and columnist P.J. O'Rourke when he made some comparisons between Democrats and Republicans. I smiled when I read in his book:

The Democrats are like Santa Claus, non-threatening, cheerful, generous, he knows who's been naughty and who's been nice, but never does anything about it; he gives everyone everything they want without a quid pro quo. Santa Claus is preferable to God in every way but one: There is no such thing as Santa Claus.

Before that in the book, I might add, Mr. President, he compared Republicans to be more like God:

Middle-aged, patriarchal rather than parental, a great believer in rules and regulations, and he holds men strictly accountable for their actions.

I realize all Democrats are not like Santa Claus, and I compliment them. But I urge my colleagues on the majority side to vote for the Kasten amendment. This would be a chance for the National Democratic Party to take a stand for something that I think will be good for the country. It would be good for the country if both parties in the Senate stood together and voted for the Kasten amendment and said what we want is a balanced budget and we want to do it by the restraint in the growth of spending of Government.

The bottom line is, do you think that people can better spend their hard-

earned dollars themselves in their own sphere of influence, in their own family, in their own decisionmaking process, or do you think a huge, gargantuan, gigantic Government bureaucracy can better spend that money?

The PRESIDING OFFICER. The Senator has used his 2 minutes.

Mr. SYMMS. I thank the Senator from Wisconsin.

The PRESIDING OFFICER. The majority leader.

ABBY SAFFOLD'S 25TH ANNIVERSARY OF PUBLIC SERVICE

Mr. MITCHELL. Mr. President, it is with a great deal of pleasure that I join with the distinguished Republican leader to call to the attention of the Senate an anniversary that deserves our notice.

Today marks a quarter-century of public service by Abby Saffold, secretary for the majority in the Senate. Abby is one of the most dedicated and hardworking officers any institution could have. We in the Senate are fortunate that she pursued her career here.

Every Member of the Senate, regardless of political party affiliation, knows Abby's unflinching good humor and courtesy are a major factor in making our long days on the Senate floor tolerable.

Abby's help and advice to me began when I first entered the Senate in 1980. She was a valuable floor staff member, reliable, a resource to every new Senator. I know that, in the years since, many other newly elected Senators have been the beneficiary of Abby's help.

She is the first woman in the history of the Senate to hold the post of secretary of the majority, a post to which Senator BYRD appointed her. Her ability in discharging the duties of her office demonstrate why we should all look forward to the arrival of more women in this body.

I appreciate the opportunity to extend my sincere congratulations to Abby, to express the warm friendship I feel for her. Abby has been a real help and a real friend to me and many of our colleagues. I look forward to her continued service.

Mr. DOLE. Mr. President, will the majority leader yield?

Mr. MITCHELL. Yes, certainly, I yield.

Mr. DOLE. Mr. President, let me join the majority leader in his comments about Abby Saffold. She has been, without exception, candid, courteous, fair, and honest with Members on this side of the aisle, working with members of our staff, both Elizabeth and Howard Greene. And I guess, maybe starting as a teacher, where she started her career, and knowing that today Senator MITCHELL would be majority leader, she went to school at Bates Col-

lege in Lewiston, ME, which is not bad insurance. But having that ability to look forward is an asset certainly she has.

I join with the majority leader on behalf of all Republicans because, from time to time around here, we forget about those who help us through these difficult days and difficult time agreements and difficult debates; and more often than not it is some one, or two, or three, or maybe half a dozen staff members who do most of the work and get very little credit.

Abby Stafford never asked for credit, but she deserves it today after 25 years. I want to extend our thanks and appreciation to her and other members of our staff on this very special day.

The PRESIDING OFFICER. The Chair joins the two leaders.

FEDERAL HOUSING ENTERPRISES REGULATORY REFORM ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. Who seeks recognition?

Mr. KASTEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KASTEN. Mr. President, I yield 2 minutes to the Senator from Florida.

Mr. MACK. Mr. President, I thank the Senator for yielding. I want to indicate my support for the amendment that is being offered by Senator KASTEN. At this point, people should understand that increasing taxes slows down economic growth. It puts people out of work. And if anyone wants a clear example of how that works, I would just say go back and take a look at the impact of the passage of the luxury tax a couple of years ago. It was passed for the stated political purpose of being able to say we were raising taxes on the wealthy.

However, it is clear the wealthy are not paying that luxury tax. The people who were employed are paying the most significant tax of all; that is, the loss of their jobs.

Raising taxes does not solve the deficit problem. Reducing spending will solve the deficit problem.

There was a study done by Professor Galloway which looked over a 40-year period and concluded that for every dollar in taxes raised, Congress spent \$1.58.

The last point I would like to reiterate is the perception that the problem is Congress failed to raise enough taxes. My colleagues have mentioned that 56 times in the last 30 years taxes have been increased; 37 times alone since 1968-69. I point out that since 1982 there have been 14 separate tax increases.

We cannot solve the deficit problem by raising taxes. We ought to make it more difficult for the Congress to raise the taxes. We ought to focus ourselves on reduction in spending.

Again, with that thought in mind, I support the Senator's amendment and yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. KASTEN. I yield 2 minutes to the Senator from Iowa [Mr. GRASSLEY].

The PRESIDING OFFICER. The Senator from Iowa [Mr. GRASSLEY], is recognized for 2 minutes.

Mr. GRASSLEY. Mr. President, I am pleased, very pleased in fact, to support the amendment offered by the Senator from Wisconsin. We need a balanced budget amendment, and we need to ensure that that balanced budget amendment does not have a built-in bias in favor of tax increases.

Our persistent budget deficit is not caused because the Government does not tax our citizens enough. Indeed, as a percentage of gross national product, total Federal revenues exceed the average for the period since 1970. Rather, our budget deficit exists because the Government spends too much money. Holding the line on spending, not raising taxes, is the way to reduce our budget deficit. Higher tax revenues would be spent, not used to reduce the deficit. The Government has a long track record of spending much more than the additional revenue received from tax increases.

The adverse effects of higher taxes go beyond their failure to reduce the deficit. High levels of taxation stunt our economic growth, impair our competitiveness—particularly that of American industry—and they also reduce savings.

I am confident that the American people prefer reduced spending to increased taxes as a means of reducing the deficit. It may be that tax increases will be necessary to comply with some balanced budget amendment. But if so, I think the American people would agree that we must ensure to our hard-working taxpayers that the money really is used for deficit reduction, and does not get lost in that big black hole of the Federal Treasury, end up in further Government expansion, and the expansion of those programs. The Kasten amendment will ensure that the process of balancing the budget will be based on deliberate choice, and not on built-in incentives to raise taxes. So that is why I urge its adoption.

Mr. SIMON. Mr. President, I yield myself 5 minutes.

Mr. President, I join the Senator from Wisconsin in favoring a balanced budget amendment. I do not join in favoring this amendment, which I think is unrealistic and would put a real barrier in the direction of the Government operating effectively.

I think it is worthy of trying it in the Constitution so that we cannot pass from one generation to another the debts, as we are doing right now. I believe that should be in the Constitu-

tion. I join the Senator from Wisconsin in that. But to say that to have a revenue increase you have to have a three-fifths majority is skewing how we balance the budget, that ought to be left to the details of Members of Congress to work out.

Let me just add that I think it is unrealistic. I would love to stand here and say we can balance the budget just by making some little modest cuts in spending. It cannot happen. This next fiscal year the present estimate is if you take away defense spending, you take away foreign aid, you take away interest, and take away entitlements, all the rest totals \$235 billion. That is discretionary, domestic, nondefense spending.

Next year we are going to spend \$316 billion, current estimate, on interest. You know, that is \$81 billion more than the discretionary nondefense. If you knock out the total discretionary nondefense, we would still have an unbalanced budget. The deficit is going to be over \$300 billion.

I think it is unrealistic to expect that we can balance the budget, without having some revenue increases. I would love to tell you differently. I think one of the reasons for cynicism in the public today is they understand we are not leveling with them. We are not telling them the truth. And I think one of the things that we have to tell them is we cannot continue to borrow from our children and our grandchildren. And if we are going to stop that with a balanced budget amendment, which I favor, it is going to take some cuts in spending, which I happen to think ought to be coming primarily out of the defense area, and it is going to take some revenue increases. I think it is going to have to have both.

There is a remote chance you could do it without revenue increases. When we talk about revenue increases, we are not talking about significant revenue increases—modest ones.

We still have, and I know most people do not believe this, the lowest tax rate of any Western industrialized democracy with a possible exception of Greece. But we spend less of our taxes on human services than any other Western industrialized democracy. We spend more on defense, or on space, more on interest than the other countries do. We have to face reality.

We also have the most inequitable tax structure of any other major industrialized westernized democracy. If you are wealthy in Japan, you pay twice the tax rate than you do here.

I favor, as my colleague who is presiding knows, a balanced budget amendment. But I do not think we should fool people that it is not going to require sacrifice. That sacrifice will have to include modest increases in revenue also. That is precluded by the Kasten amendment. If the Kasten amendment is adopted, much as I think

we need a constitutional amendment, much as I agree with Thomas Jefferson, I am going to have to vote against the proposal for a constitutional amendment. I think this too drastically impairs the future operation of Government.

I yield the floor.

Mr. KASTEN. Mr. President, I think it is important to point out while the Senator from Illinois is here that we do not preclude tax increases. We simply make it more difficult. You need a supermajority in order to get a tax increase. That is all. If the circumstances are such that it is impossible any other way, then a supermajority would vote for a tax increase in this body.

We simply make it more difficult to increase taxes than to reduce or control the rate of growth of Government spending. I believe that is as it should be.

Do we have a plan? You bet we do. No. 1, we can work to balance the budget by 1997 without tax increases, and we can also protect Social Security. We can move forward.

How are we going to do that? The peace dividend—the Bentsen bill—yields peace dividend savings in Defense of \$75 billion over 5 years. I am a cosponsor of that bill. We can use that money.

A 5-year freeze in international spending, \$5.5 billion. That is an amendment I offered in March. A 5-year freeze in domestic discretionary spending, \$79 billion, again is an amendment I offered in March.

Eliminate wasteful spending. We have estimates right now. We found \$53 billion that can be identified to date that we can save as we reduce this deficit.

As spending goes down, interest payments go down, interest on the debt is reduced by an estimated \$50 billion over this 5-year period. By eliminating the interest payments we save we can work toward that zero deficit.

We can finally enact a progrowth tax agenda. And that is what the Senator from Florida was speaking about a moment ago.

Capital gains tax, repeal the Social Security earnings limit, repeal the luxury tax, improve depreciation, expand IRA's—all I am talking about here produces a revenue gain, \$130 billion over 5 years is an estimate made by economist Gary Robbins of Fiscal Associates.

The fact is we can do it. I believe we can do it. And we can do it without tax increases, but this does not preclude tax increases. This simply makes it more difficult for this body to pass tax increases. We still would do it if we needed to. We put the pressure I believe where it belongs. We put the pressure on reducing the rate of growth of Government spending.

I yield 4 minutes to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona is recognized for 4 minutes.

Mr. MCCAIN. Mr. President, I would like to add that if the Senator from Illinois believes that raising taxes will somehow balance the budget, I would like to remind him that in the last 30 years Congress has raised taxes 56 times and has only balanced the budget once. Why? Because this body always finds ways to spend the money, and we continue to spend money even from an empty pocket. Something has to be done about it.

Again, we note, Mr. President, that States such as Oklahoma, which has enacted tax limitation and my State of Arizona, that has tax limitation initiative on the ballot in November, that there will be this kind of tax limitation enacted. Again, we find the leadership from the States rather than from the Federal Government where it belongs.

Mr. President, I would like to begin by thanking Senator KASTEN for bringing this issue before the Senate for debate and consideration. I have twice offered statutory tax limitation amendments here on the Senate floor. We will be back again and again until we persuade our colleagues to enact tax limitation.

There have been many successful attempts to enact tax limitation at the State level, including most recently in Oklahoma. In my home State of Arizona, there is a strong tax limitation movement which I am confident will be successful this fall.

I feel that a tax limitation amendment to the Constitution should be an intrinsic part of any balanced budget amendment. As Chief Justice John Marshall stated in 1819:

The power to tax involves the power to destroy.

Constitutionally requiring a supermajority for tax increases is both appropriate and necessary, especially if we constitutionally require a balanced budget.

If the last 30 years alone are a prologue to our fiscal future, our Nation will be in dire straits without balanced budget and tax limitation amendments to the Constitution.

Mr. President, in the last 30 years, Congress has raised taxes 56 times and balanced the budget once. I am confident that if Congress raised taxes for the 57th time, that the budget will not be balanced as a result.

The problem in Washington is excessive spending. Congress lives beyond its means at the expense of future taxpayers.

Just look at the pork-barrel spending that has become a matter of laughter and tears to the American people. The latest example we saw in the Washington Post last week, a \$41 million line-item appropriation to Wheeling Jesuit College which has a \$14 million annual budget.

A balanced budget amendment will require that the budget be balanced. A tax limitation amendment will focus attention on the real problem in Washington—excessive spending.

Mr. President, I would like to discuss the present level of taxation, and put it in historical context. In 1948, a family of four earning the median income paid 2 percent of its income in tax to the Federal Government.

Now, a family of four earning the median income pays an obscene 24 percent of its income in Federal tax.

Is it any wonder families are finding it more and more difficult to provide for their children?

In 1929, the average American worked 40 days that year to meet all his or her tax obligations.

In 1992, the average American will work 126 days this year to meet all his or her tax obligations.

Mr. President, I feel we have reached the Orwellian state that then Democratic President Grover Cleveland warned of in 1886. He stated:

When more of the people's sustenance is exacted through the form of taxation than is necessary to meet the just obligations of government and expenses of its economical administration, such exaction becomes ruthless extortion and a violation of the fundamental principles of a free government.

In 1991, the Federal Government collected \$1.054 trillion in taxes. How much is enough? When does taxation become a violation of the fundamental principles of a free society?

Mr. President, I am not certain that there are exact answers to those questions. But I am certain that on our present path, Congress will certainly continue to engage in "ruthless extortion" to feed its inexorable expansion.

I would like to continue my remarks by commenting on the mood of the Nation. It is surly, but I feel justifiably so. We are experiencing a political upheaval that will quite likely result in fundamental political change. It can be attributed to many different factors, but I feel that it stems mostly from anxiety over our future.

Mr. President, can we continue on our present course and succeed?

I think that many Americans have serious doubts that we can continue to run enormous budget deficits, exact trillions of dollars of taxes, and remain free and prosperous.

The great turmoil that started a revolution in 1776 was the product of angry taxpayers. Thomas Paine captured the essence of colonial anguish and captures today's great disaffection with Government in this comments on England in 1792. He stated:

There are two distinct classes of men in the Nation, those who pay taxes and those who receive and live upon taxes. * * * When taxation is carried to excess, it cannot fail to disunite those two, and something of this is now beginning to appear.

Mr. President, I think the Congress and the President have driven the tax-

paying American to the edge. In fact, I am certain many Americans have "dis-united" from their Government. I am also confident that they will work assiduously to bring about great changes at the ballot box this fall.

The power to tax is truly the power to destroy. It is a power that should be constitutionally limited. That is why I support the Kasten amendment and urge all of my colleagues to favorably consider tax limitation.

I would like to conclude with one more quote from Chief Justice John Marshall. In 1821, he stated:

The people made the Constitution, and the people can unmake it. It is the creature of their own will, and lives only by their will.

Mr. President, it is time that Congress begin representing the will of the people. Let us pass the balanced budget and tax limitation amendments.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KASTEN. I yield 3 minutes to the Senator from Mississippi [Mr. LOTT].

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. LOTT. Mr. President, I thank the Senator for yielding me this time.

Mr. President, I certainly support the balanced budget amendment to the Constitution, but at this point I rise to support the amendment by the Senator from Wisconsin which would require a three-fifths vote of both Houses to raise taxes above the growth in national income.

We should balance the budget by reducing spending, not by raising taxes. That is the thrust of this whole debate, and that is what this amendment would encourage. It does not say that we could not have a vote to raise taxes, as the Senator from Wisconsin just pointed out. It does put an extra burden on the Congress, both the House and the Senate, to have strong and overwhelming support for a tax increase and to make sure that we have tried everything else before we get to that point.

Let me emphasize—have no doubt about it—the intent around here is to raise taxes. You can call it revenue enhancement. You can call it whatever you want to, but with or without the balanced budget amendment that is what is intended to happen around here. That is why the opponents of the Kasten amendment are going to fight against it. Without this amendment, you are certainly going to have tax increases.

If you have any doubt, you can read it in the media. Some people say, "oh, well, we will just raise taxes on the rich." Do not believe it. The June 22 issue of Time magazine reports that the Joint Committee on Taxation estimates that a change in the marginal income tax rate from the present rates of 15, 28, and 31 percent to 16, 30, and 33, would increase revenue by 18.3 billion

in 1993. This indicates that bracket. Everybody will be hit.

The problem is not insufficient revenue; the problem is that we are still spending too much. Let me give you some statistics. Some of these have been mentioned, but they are worth repeating. We have not had a balanced budget since 1969. Yet, we have raised taxes 56 times. So we keep raising taxes, but the deficit keeps going up. We need to control spending. Tax Freedom Day this year was May 5, 1992. You have to pay taxes until May 5 in order to pay what you owe. The average worker will spend 2 hours and 45 minutes per day working to pay Federal, State, and local taxes.

Finally, every American already has a \$16,000 debt. For a family of four, this is like having a mortgage on a second house—without the house. If we do not limit the ability to raise taxes, we will add an additional tax burden on top of the \$16,000 debt every American shoulders.

As I pointed out in the Budget Committee, there are three ways you can reduce the deficit. You can reduce spending. You can raise revenue. The best way, really, is to encourage economic growth. And the fear of tax increases now, without the balanced budget amendment or with it, is a threat to economic growth. Capital investment is being retarded by the fact that there are those that are concerned there will be another tax increase this year or in the future with or without a balanced budget amendment.

If you have any doubt about the intent of the Congress in terms of controlling spending, all you have to do is look at the recent record.

On May 21, I offered an amendment to strike the \$1.45 billion in non-emergency spending from the disaster relief supplemental appropriations bill. That amendment got 37 votes.

Additionally, on June 3, I offered an amendment to the corporation for public broadcasting authorization bill to freeze funding at current levels. That amendment only got 22 votes. It is clear that Congress lacks the political will to cut spending.

So I urge support for the Kasten amendment and urge my colleagues not to always go forward by raising taxes in each and every instance.

The PRESIDING OFFICER. The time of the Senator has expired.

The Senator from Wisconsin [Mr. KASTEN].

Mr. KASTEN. I yield 3 minutes to the Senator from Colorado [Mr. BROWN].

The PRESIDING OFFICER. The Senator from Colorado is recognized for 3 minutes.

Mr. BROWN. Thank you, Mr. President.

I rise in strong support of the Kasten amendment to the Nickles-Seymour balanced budget amendment.

Mr. President, this balanced budget amendment is all about trust in the American people. Let the American people vote on this amendment through the State ratification process.

Those who oppose the balanced budget amendment are saying that the American people should not have the opportunity to vote on this issue. I believe they ought to have the opportunity.

So the first real issue that comes to mind on this debate is whether or not we trust the American people to take up the issue. I trust them. I think they ought to have a chance to vote on it.

So I am going to vote for the Kasten amendment and for the balanced budget amendment.

Second, it is about trust with regard to spending and taxing. If the balanced budget amendment is adopted without the Kasten amendment, only 51 votes will be required to increase taxes and 60 votes to deficit spend. It should not be easier to increase taxes.

We must have fair evenhanded rules.

The Kasten amendment would require 60 votes to increase taxes. The result would be 60 votes to deficit spend and 60 votes to increase taxes. This is an evenhanded approach. I think that makes sense. We should not bias the system in favor of tax increases.

Third, Mr. President, I think this is about trusting the American people with regard to spending their own money. Are taxes too low? Absolutely not. All you have to do is ask the working men and women of this country. Ask the people who wash the dishes, change the tires, grow the crops, and those who work in the factories. They will tell you whether or not taxes are too low.

Our problem is not that taxes are too low. Our problem is that Congress continues to waste the taxpayers' money. Let us give the working men and women of this country a chance. Let us establish the same requirements to increase taxes as we have for deficit spending. Let us also say that we trust the American people to make decisions about their own lives. We should not impose on them a form of government that takes away from them the products and the fruits of their own labor.

The PRESIDING OFFICER. Who yields time?

Mr. KASTEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KASTEN. I yield 3 minutes to the Senator from California, the distinguished Senator, who is the author of the original balanced budget amendment to which this is an amendment to, and who has been a leader in this issue.

The PRESIDING OFFICER. The Senator from California [Mr. SEYMOUR] is recognized for 3 minutes.

Mr. SEYMOUR. Mr. President, I thank you, and my commendations to

Mr. KASTEN for his leadership on this most important amendment and the most important vote to follow.

Mr. President, I thank you for the 3 minutes you have allocated, and take the opportunity to point out that during these 3 minutes, our national debt will have risen over \$2 million, and for every minute that takes place beyond these 3 minutes, it will continue to grow at a rate of \$720,000 each and every minute.

Some have said we really do not need a balanced budget amendment. Some have said we do not need this supermajority vote to raise taxes and curtail deficits. Why then do we not just do it? Let's just do it.

Well, Mr. President, based upon our record of performance in Congress over the last 30 years, raising taxes 56 times, balancing the budget only once—1 year out of 30, I ask a question: Does this body have the courage to do what's right? In fact, I ask the question of those who are in the Gallery today and those that may be viewing the proceedings here in the U.S. Senate, do you really think this institution has the fortitude?

I think the answer to that is a resounding no, a resounding no based upon our record of performance. The U.S. Congress has become addicted to raising taxes and increasing deficits, we need some self-restraint. We do not have the self-discipline; we do not have the ability to just say no. And so how can we develop that ability?

Well, we can develop it by making it more difficult to say yes to increased spending. And that is the magic of Senator KASTEN's amendment. It will require a supermajority to raise taxes or raise deficits. And so to cure ourselves of this addiction, the first step to withdrawal is to admit we are addicted, and second, to set up some discipline, some self-restraint. And that is what this amendment does. That is what the balanced budget amendment to our Constitution will do.

So, Mr. President, I think this matter is so vital now. We do this not for us, but for the next generation. We will be long gone shortly. This is for our children and our grandchildren.

I was flying back from California with the youngest of our six children, our youngest son Barrett, who is 9 years old. I got to thinking about him and I got to thinking that he will be 10 soon. And by the time he is 10 the national debt will have doubled. Is that a legacy that I want to leave our children? No. Is that a legacy that America wants to leave its grandchildren? Absolutely not.

So I will vote aye on Senator KASTEN's amendment, and when we proceed to the cloture vote on the balanced budget amendment, I will ask for the same.

The PRESIDING OFFICER. The Senator has yielded the floor.

The Senator from Wisconsin [Mr. KASTEN].

Mr. KASTEN. Let me repeat a point that has been brought up a couple of times in this debate. Over the last 30 years, Congress has raised taxes 56 times. Congress has balanced the budget once. Tax increases simply do not work. They destroy economic incentives. They lead to fewer jobs, they lead to fewer small business starts. And history shows over this same period of time for every \$1 the Congress raises in new taxes, it spends \$1.59.

So we raise taxes a buck and increase spending \$1.59.

The first way to get out of a hole is to stop digging. What we have been doing is digging and digging and digging. Let us at least stop digging and start to work ourselves out of this hole.

Specifically, let us look at some recent examples in legislation: The 1982 TEFRA budget deal, for example. In that one, Congress promised \$3 in spending cuts for every \$1 in tax hikes. In the final analysis, spending went up \$2.

Or another example, the so-called budget summit agreement of 1990. It supposedly raised taxes by \$165 billion to reduce the deficit. That was the goal, raise taxes by \$165 billion to reduce the deficit.

I voted against it. A majority of the Senators on this side of the aisle voted against it because we knew when taxes went up, spending would rise even faster, and the economy would go down. That is exactly what happened. The deficit now has exploded to a record \$400 billion, the kind of numbers the Senator from California is talking about in terms of ticking away, minute by minute, 3 minutes, 4 minutes, 5 minutes, tick, tick, tick, more and more and more spending, more and more deficits, deficits, deficits.

In order to protect the family budgets of working Americans and preserve their jobs, we have to make it tougher for Congress to raise taxes. We ought to make sure that when we put together a plan to balance the budget, spending restraint is at the top of the list and tax increases are at the very bottom.

The Senator from Illinois said tax increases would be precluded. That is not true. A three-fifths supermajority to raise taxes is not at all unreasonable. It would ban tax increases altogether. It would simply require a strong national consensus to raise revenue. If the American people understand and support raising revenues for an important purpose, for a specific purpose, then Congress would be able to muster the three-fifths supermajority vote.

Second, we have a supermajority requirement to increase spending, as the Senator from Colorado just pointed out, and to reduce taxes in the current Budget Act. A supermajority require-

ment to raise taxes would not be an unreasonable requirement.

Mr. President, there are a number of other people who want to participate. I am pleased to yield to the Republican leader for such time as he may desire.

The PRESIDING OFFICER. The Senate Republican leader is recognized.

Mr. DOLE. Mr. President, I know the Senator from Wisconsin has a number of requests. May I have 3 minutes?

The PRESIDING OFFICER. The Senator is recognized for 3 minutes.

Mr. DOLE. Mr. President, I want to express my strong support, as others have, for the amendment by my distinguished colleague from Wisconsin, Senator KASTEN.

There is no doubt about it, we need a balanced budget amendment. We have tried everything else. It has not succeeded. But we do not need an amendment that is nothing more than a smokescreen for the big spenders and for huge tax increases.

That is why I am a cosponsor of the Kasten balanced budget bill, and why in previous years I have introduced my own balanced budget bill with a similar tax limitation provision in it.

Time and time again, the American people have seen big tax increases swallowed up by even bigger new spending. As exhibit 1, I offer the Clinton economic proposal. After increasing taxes by \$150 billion, Governor Clinton proposes spending increases and tax expenditures totaling \$220 billion. If you include the cost of a pay or pay health care package, the tab for all his new spending rises to \$337 billion. Granted, Governor Clinton claims to offset some of the deficit increase with \$150 billion in spending cuts, but many of these cuts are as phony as phony can be.

Governor Clinton clearly understands that it is a lot easier to quietly slip a tax increase into a deficit reduction package, than it is to make the tough votes to cut someone's favorite program. But if you ask me, we cannot afford to take the easy way out—the American people cannot afford it, and future generations who will get stuck with the deficit tab cannot afford it, either. The time for making the tough choices is long overdue.

The Kasten amendment is the taxpayers' best insurance policy against a hefty new tax bill from Uncle Sam. The Kasten amendment does not ban revenue increases, it merely prevents receipts from growing faster than national income. In any emergency, even that requirement could be waived by a three-fifths majority. So, let no one be swayed by those in this Chamber who claim we would be forever bound and tied by this amendment. The Kasten amendment provides the budget discipline we need, but allows for commonsense flexibility.

Mr. President, let us face it. If the big taxers and big spenders are so seri-

ous about disciplining themselves, we had better get it in writing—in the U.S. Constitution.

I hope my colleagues will join me in voting for the Kasten amendment today. This is a real test of whether we in this Chamber are committed to controlling the spiraling cost of government or whether some intend to hide with their big taxes behind the balanced budget smokescreen.

So I congratulate my colleague from Wisconsin for his leadership and his efforts and I urge my colleagues to support the effort.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KASTEN. I yield 3 minutes to the Senator from Indiana [Mr. COATS].

The PRESIDING OFFICER. The Senator from Indiana [Mr. COATS] is recognized for 3 minutes.

Mr. COATS. Mr. President, I thank my colleague from Wisconsin for offering this amendment. I think it is extremely important. I am pleased and proud to be a cosponsor of it because I do believe we need to make it more difficult for the Congress to increase taxes.

Over the past 30 years I think the estimate is that Congress has increased taxes 56 times, yet only accomplished a balanced budget on one occasion.

Clearly, the bias in this body has been to raise taxes, not cut spending. I think instinctively, 80, 85, 90 percent of the American people understand the problem with our deficit is not lack of revenue flowing into Washington, DC; the problem is a Government that has no restraint on its spending and an inability to place any reasonable controls on the growth in spending.

Every new idea that has come down the pike in the last 20 or 30 years has been looked at as an idea that, well, let us try it. We do not have to go to the American people to ask them to raise taxes; we will just get deficit financing and then at a certain point we get a tax bill up in order to cover that deficit. Yet it never does cover that deficit.

Since 1948 we have seen the proportion of income covered by taxes increase. It increased 130 percent for single taxpayers and 150 percent for childless couples and a whopping 2,600 percent for a median family of four. Do you know who gets penalized the most in this country? The people who marry and have children and try to raise that family. Under our tax system, under our Tax Code, that family is penalized more than any other single entity in America.

It is not just Federal taxes. But when you add together Federal and State and local and excise and sales and personal property taxes and Social Security and Medicare and all the other taxes that the American public is asked to pay today, is it any wonder why we find people saying "I am squeezed; I do not have any extra

money left over; I need help in sending my children to college; I need help in buying a home; I need help in paying for a car; I need help in meeting the very basic necessities of life because no matter how hard I work, or no matter how many people in my family work, it just seems like our net take-home pay either holds level or decreases every year"?

This is a burden our Founding Fathers never could have imagined, and would not have tolerated. In fact, when the Federal income tax was approved early in this century, there was a proposal to cap it at 10 percent, and that proposal was rejected because the opponents said it would encourage Government to raise taxes to that level. Oh, that we would have that problem today. Oh, that our problem would be that we would be concerned about raising the tax burden to 10 percent.

We have a chance to take a step to remedy that problem. We have a chance to, today, adopt the Kasten amendment which would make it harder for Congress to increase taxes on the American people. I think the constitutional amendment, which we are debating, ought to include a requirement that revenues could not be increased unless three-fifths of the Members of this body vote to do so on an up or down recorded vote.

Mr. President, I am proud to support this amendment. I hope my colleagues do. I thank the Senator for yielding the time and yield back any time I might have remaining.

The PRESIDING OFFICER (Mr. REID). Who yields time?

Mr. BENTSEN. Mr. President, the managers for the majority have yielded to me 10 minutes.

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

Mr. BENTSEN. Mr. President, the problem we have with this particular amendment is it does have a fatal flaw in it because the amendment could lead our economy into a period of severe inflation and high interest rates if it is added to the Constitution. What we have to look at is how it could affect our economy, in trying to comply with it. Unless this situation was overturned by supermajorities of three-fifths in both Houses, the amendment would require this: "Total receipts for any fiscal year shall not increase by a rate greater than the rate of increase in national income in the second prior fiscal year."

So, let us look at what that language would do.

Suppose that 2 years ago the economy was in a recession and that you had a zero growth. If you had that, after 2 years, after that economy recovers, and it grows, let us say at a 7-percent annual rate—since revenue growth parallels economic growth, generally, revenues would also be growing at about a 7-percent rate as well.

What the amendment would do, as I understand it, would require us to enact a huge tax cut so that we could reduce the growth rate in revenues from 7 percent to zero percent. That kind of a huge tax cut coming at a time like that would overheat the economy. That could well cause very substantial inflation.

What would the Federal Reserve do in a situation like that? They would react by kicking up interest rates. I can recall that toward the end of the Carter administration the Federal Reserve finally kicked the interest rate up to about 22 percent. That was the reaction that it had taken at that time. No one really wants to risk high inflation and high interest rates such as we had at that time.

That result could be even worse if the economy, for example, had experienced a negative growth just 2 years earlier rather than a zero growth rate. In that kind of case you would have to have a tax cut that would be even larger.

We ran into this kind of situation last time, before the balanced budget amendment was voted on back in 1982.

The distinguished Senator from New Mexico [Mr. DOMENICI] offered a technical amendment to it. Under the Domenici amendment, the growth rate of revenues in the current year would have been limited to the growth rate of the economy over a period of several years or longer in the recent past. The appropriate length of this period would be determined by the Congress, as Senator DOMENICI noted in the colloquy with Senator HATCH. Therefore, if the economy had been in recession during a particular year in the past, and we can just choose a longer period of time for comparison, then under those conditions a three-fifths-vote majority would not be necessary.

Unfortunately, the language of the Kasten amendment today does not reflect Senator DOMENICI'S technical correction. In other words, we are not voting on the same thing that we voted on last time. Under the Kasten language, the rate of revenue growth this year must be limited to the rate of growth of the economy 2 years ago. So again, if the economy was in recession 2 years ago, there is no alternative period of comparison unless a supermajority agrees to it.

So I do not think we should be supporting what I believe to be a technically flawed amendment to the Constitution.

Some Senators may make the argument that these economic problems will not occur because the revenue limitations can be overturned by a three-fifths majority of both Houses.

I think the distinguished Senator from West Virginia [Mr. BYRD] indicated to us the dangers of that approach quite clearly last week. He pointed out that a determined minority, or even a single Senator, can ran-

som the Senate on other issues in turn for adding their vote to complete a supermajority. That kind of thing is a prescription for legislative disaster. Senators could even ransom the Senate for new or higher Federal spending, causing the budget to go further out of balance.

Speaking of unbalanced budgets, I think that the amendment of the Senator from Wisconsin is particularly troublesome in that regard. So if we are going to mandate a balanced budget, the last thing we should do is make it difficult for us to use one our weapons to reduce the deficit. That is exactly what would occur as a result of this amendment.

Under this amendment, for example, you could put in new tax loopholes that would add to the deficit, but could be legislated, for example, with only 51 votes in the Senate. But the elimination of the tax loopholes to reduce the deficit, as was done in the situation in 1986, would require 60 votes. I think that leads us in the wrong direction at a time when we are experiencing record-setting deficits.

In 1982, when the debt was only \$1 trillion, we might have been able to afford the luxury of requiring 60 votes for a tax increase to reduce the deficit. But today, that debt is nearly \$4 trillion, and that luxury no longer exists.

So I urge my colleagues to oppose the amendment.

The PRESIDING OFFICER. Who yields time?

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

Mr. KASTEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KASTEN. Mr. President, let me very simply say what we have just heard is basically a Keynesian argument. And I think, without getting into economics 101 or 301, or Samuelson versus different textbooks we might have studied at different times, I believe the 1980's proved the fallacy of the argument that tax cuts fuel inflation. Inflation went down; we had a growing economy and increased jobs. Instead it was the high-tax policies of the Carter administration in the late 1980's that increased inflation.

It was not under the low-tax policies of the early 1980's that we had a 21-percent prime rate. It was not under the low-tax policies in the 1980's that we had inflation at 13 percent. That was under the high-tax policies of the Carter administration that we had inflation at 13 percent and the prime rate going to 21 percent.

So this is an argument that we can make among economists. But recent history simply shows that inflation is not caused by high taxes.

Mr. President, I yield 3 minutes to the Senator from Wyoming [Mr. SIMPSON].

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 3 minutes.

Mr. SIMPSON. Mr. President, I commend the Senator from Wisconsin. He does a splendid job on this issue and he has for many years, all the years I have known him. He has worked so diligently on this issue.

I am a cosponsor of the pending Kasten amendment as I am of the underlying Nickles amendment. That amendment, originally drafted by Senator SIMON, was a simple amendment, nothing to be feared, even though the interest groups went out and said: If you adopt this amendment, you will have your Social Security check lopped off by \$52 or \$92. And we have never cut a Social Security check in the history of the Senate—not once.

So we have to go through all that same stuff from these interest groups each time. All we ever tried to do once, and we got our fingers shot off, was to try to do something with the cost-of-living allowance on Social Security. Those are the entitlement programs. We will deal with that separately, if we ever can. And if we do not, then the American public will be getting about what they deserve if they will not let us touch it with any sensitivity or honesty.

The amendment originally drafted by Senator SIMON was, if you will, intended to be a kind of umbrella—something under which all supporters of balanced Federal budgets could unite, regardless of their specific policy preferences as to how that should be achieved. The language of that amendment is very broad and very general. It merely requires that total outlays and receipts of this Government be kept in balance. It was the belief of Senator SIMON, Senator THURMOND, Senator CRAIG, and myself and many others that the only way to give this important language a chance of being added to the Constitution was to draft language sufficiently general—language that would simply elevate our obligation to balance the Federal books to the status of a constitutional duty.

I supported that effort, as I still do. But I also believe that there are very real, uncompromising, economic facts that dictate how we must go about balancing the Federal budget. It is, perhaps necessary to draft neutral language as part of a strategy for attracting enough votes to amend the Constitution but we don't have the luxury of being similarly neutral when it comes to implementing the mandates of a balanced budget. If we are talking about the real, substantive work of balancing the books, we must have a limitation on the growth of taxes and expenditures. There is no other way to make it work.

This Kasten amendment is the proposed legislation that recognizes that reality. I will put it very simply: If we do not change the way we spend the public's money in this Chamber, and simply attempt to raise revenue to

keep up with expenses, we will very directly take more and more of the public's money until there is eventually and actually nothing left.

According to the Congressional Budget Office, mandatory spending will approach \$1 trillion per year by 1997; it won't even take us until the end of the century to top \$1 trillion in mandatory spending. That does not even include mandatory interest payments on the debt, which will be wholly unavoidable.

The CBO projects that we will spend \$977 billion in mandatory entitlement spending in fiscal year 1997, which is a nearly \$300 billion increase over what we are spending now. These are the programs that the vast American public understands to be reserved for the needy, the poor, the disabled, or the veteran who has "borne the battle." That is the way that we—and they—think of these programs, and that is precisely why we have never controlled our spending on them.

How much of that \$977 billion in spending in fiscal year 1997 will actually be means-tested? Based on net worth and ability to pay, very little, proportionally—a whopping \$750 billion of it, over three-quarters of the total, will be non-means-tested. Left unchecked, that way of doing business is going to lay a staggering tax burden on working Americans.

It is very simple: Working America simply cannot keep up with that—especially while we siphon out of the American economy hundreds of billions of dollars in interest payments each year. If we want working America to produce the growth necessary to alleviate the deficit, we simply cannot suck up ever more and more of its resources.

Some of the projected increases are truly staggering. Medicaid, \$68 billion in fiscal year 1992, projects to \$126 billion 5 years later—almost doubling. That is a means-tested program. Not so of Medicare—\$128 billion in fiscal year 1992, projecting to \$218 billion in fiscal year 1997.

These programs and others like them add up to increases of hundreds of billions of dollars over the next few years. And then there are the increases many would like to see in discretionary spending, spending on education, on roads, on the environment. And the interest payments will continue to grow as well, until we are able to balance our books.

I ask my colleagues to consider what will happen if we adopt a revenue-increasing strategy of balancing the Federal books. Suppose, in a massive 1-year tax hike—soaking the rich even—we brought the Federal budget into balance in a given year. Would we have finished the job? Not by a long shot. Federal revenues as a function of GNP would thereafter stay roughly constant from year to year, but the mandatory increases on the spending side would mean another tax increase a few years

later. And then, too, any balancing of the budget would be only temporary. Another tax hike would soon be required. Even if we restrained discretionary spending—even if we increased taxes mightily every few years—the problem would persist. That is the future built into the current system.

I can think of no basis for the argument that this budget is out of balance because Americans are insufficiently taxed. They are providing well over \$1 trillion per year in revenue to the Federal Government. That is enough to conduct the business of this Government or any government in the world today. We must balance the Federal budget, and we must attempt to do so in a way that recognizes the real sources of our current and projected deficits—uncontrolled, mandated spending—entitlement spending.

I commend Senator KASTEN for this proposal. It recognizes the obligation of this Congress not to burden future generations, and it recognizes that the existing generation of taxpayers is burden enough. It is high time that the burden of restraining spending be taken up by this Congress. I thank the Senator from Wisconsin.

The PRESIDING OFFICER. Who yields time?

Mr. KASTEN. Mr. President, I yield 3 minutes to the Senator from New York [Mr. D'AMATO].

Mr. D'AMATO. Mr. President, I rise to strongly support Senator KASTEN's proposal to require a three-fifths supermajority vote to raise taxes above the growth rate of the economy. It is long overdue. We absolutely need that discipline.

Let us look at the record, and we do not have to go back too far to see what the impact would have been had we had this kind of legislation in force. Had a supermajority been in effect as a requirement to get at least 60 votes in the Senate for the 1990 tax bill, the American people would have been spared one of the largest tax increases in history.

You see, Mr. President, only 53 percent of the House and 54 percent of the Senate supported the 1990 tax bill, not the 60 percent that would be required by the Kasten amendment.

Too bad it was not in force because one of the largest tax increases in history went into effect. It was also one of the most divisive, because then we had the same type of businesses going on: Let us get the rich guy. Oh, they imposed that luxury tax; 10 percent on the price of automobiles that cost over \$30,000; 10 percent on the boats, and on the planes, jewels, and furs. We did not get the rich guy. What we wound up doing was throwing thousands of working middle-class Americans out of work, the people who make and maintain those boats, planes and cars, and sell those jewels and furs. We just do not know when to stop.

Let me suggest something else. It is rather divisive, and it is a bad kind of thing that I hear taking place, and that one of the Presidential candidates is also bringing up: Tax the rich. You could increase the taxes to the point that you take every single penny from everyone making over \$200,000, and take ever single dime that corporate America is making, and you still would not be able to balance the budget. That is the wrong kind of divisive business. When we begin to target people because they are successful, it flies in the face of what this country is about.

I think that this is an absolutely essential element of any effort to get spending under control. Do we need a constitutional amendment to force a balanced budget? You better believe it, because this institution does not have the guts or the courage to stand up to the special interest groups; it caves in every single time. Do not let this one or that one send out a letter to their constituents saying you would not authorize the expenditure of more moneys for a laudatory program. In the meantime, the deficit grows and grows and grows.

So I urge my colleagues to support Senator KASTEN's proposal as an integral part of the constitutional balanced budget amendment.

Thank you, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. KASTEN. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be allocated to neither side.

The PRESIDING OFFICER. Time will be allocated to neither side. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. DURENBERGER. Mr. President, I ask unanimous consent that I might proceed for 6 minutes with the time charged to the opposition to the amendment.

The PRESIDING OFFICER. It is my understanding that there is now 45 minutes controlled by the Senator from Michigan and about 13½ minutes controlled by the Senator from Wisconsin. Without objection, 6 minutes will be charged to the Senator from Michigan.

Mr. DURENBERGER. Mr. President, as a proponent of the constitutional amendment which is before us, I want to take a few moments to speak in opposition to the amendment of my distinguished colleague and good friend from Wisconsin, Mr. KASTEN.

What the Senator from Wisconsin is proposing is that the Constitution be further amended to preclude raising

revenues and taxes above the annual growth in national income unless such a revenue proposal garners the support of a supermajority; that is, three-fifths of Senators and Representatives. I believe that is a step away from the balanced budget we are trying to reach. And I will try to prove to you and my colleagues why.

Mr. President, while we are debating this constitutional amendment today, in this 24-hour period we will add \$1.111 billion to the national debt. Shortly we will exceed \$4 trillion in debt, and that is over \$16,000 for every man, woman, and child in America.

This wanton fiscal irresponsibility has two consequences.

First, we cannot do what we need to do today. We are constantly confronted with crises in this city: the education crisis, the health crisis, the urban crisis, and it goes on and on. But national debt is the crisis which destroys our capacity to deal with any of the others.

That is the first reason to pass a constitutional amendment.

Second, we are compromising the freedom of future Americans. Thirteen generations of Americans have passed on to their children a land of choices greater than those they inherited. Ours is the first to fall short of that standard, which Jefferson called the supreme moral test of each generation of Americans.

I do not take lightly the consequences of making a change in the most remarkable political document the world has ever seen, the U.S. Constitution. I do not believe there is a procedural substitute for political leadership to balance the budget. And I do not vote for this amendment to abdicate my responsibility for this debt.

But I do know that our choice now is between slow and certain strangulation of everything America stands for, or a change in the way we do things in this Government. I swore an oath to protect and defend the Constitution against enemies foreign and domestic. Debt is our Constitution's greatest enemy, and the underlying balanced budget amendment is our best defense.

I oppose the Kasten amendment before us simply because it would make it far more difficult for us to achieve our end, a balanced budget. The reason is that it puts a minority of the House and Senate in charge of how we achieve deficit reduction.

Mr. President, when we collectively reach the day that we become serious about balancing the budget, and I pray it is soon, then everything is going to be on the table: entitlements, discretionary domestic and defense spending and, yes, taxes.

Why should all the pressure be placed on elderly beneficiaries of Medicare? Why should all of the pressure be placed on the poorest members of our society? Why should all the pressure be placed on rural communities and farm

families? It is not just spending that must be addressed; taxes must be placed on the table.

This amendment effectively takes taxes off of the table. It puts in the hands of a minority—40 Senators—the ability to upset any bipartisan agreement that heads us down the path of reducing our \$4 trillion debt. Tax loopholes would be harder to close under this amendment and the tax base would be harder to broaden, because it would take 60 votes in the Senate and 292 in the House to accomplish closing the loopholes or broadening the base.

The amendment would further bias the system against deficit reduction. How can we justify a 60-vote majority to raise taxes in order to reduce the deficit but allow a bare 51 votes to cut taxes and exacerbate the deficit?

This amendment certainly feels good right now in that it would allow us to return to our States and tell our citizens that we are going to balance the budget, but you do not have to worry that your favorite tax provision will be taken away.

Mr. President, how did we get to this point today where our Nation is the largest debtor in the world? We got there because we spent the last decade expanding entitlements and domestic spending without having the will to pay for them with tax revenue. Since we did not have the will to say no to spending increases, the national debt has grown to \$4 trillion, and interest on the debt has jumped more than 400 percent from \$52.5 billion in 1980 to more than \$215 billion this year.

Mr. President, it is the rare elected official who wants to go back home and tell his constituents either that they cannot have services they want or that their taxes have to be raised to pay for spending. All of us prefer to promise more services and lower taxes, and yet that is precisely why we face this extraordinary national debt.

The proposal before us will make it far more difficult for this body to adopt fiscally responsible tax legislation, and it will diminish our ability to control the deficit. I urge my colleagues who support the constitutional amendment to balance the budget, and those who oppose the constitutional amendment, to oppose this amendment.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator's time has expired.

Who now yields time?

Mr. KASTEN. Mr. President, I yield 3 minutes to the Senator from Idaho [Mr. CRAIG].

Mr. CRAIG. I thank my colleagues for yielding.

The Senator from Wisconsin has certainly been an extraordinary leader on this issue of fiscal responsibility. I have worked very closely with him and others on the broad issue of a balanced budget amendment to our Constitution. He brings a portion of that debate

today in his amendment that would require the extraordinary vote on the raising of taxes which becomes a critical and necessary consideration in an overall debate on a balanced budget.

If you hear it once, you will hear it many times from the hinterlands, that one of the great concerns American citizens have who believe in a balanced budget amendment is that Congress will do what they have historically done when such requirement is once thrust upon them; they will simply balance it by raising taxes, because they do not believe Congress will have the political will to go against special interest groups and reduce spending or the rate of spending correspondent to an increase in revenue. That is why such an amendment is before us.

Let me broaden the issue in discussing with you, in the few moments that I have, why a balanced budget amendment to our Constitution is appropriate and necessary and why such a high percentage of the American people are now demanding that of us and, more importantly, why, therefore, is the Congress of the United States refusing to resolve this issue and deal with a balanced budget amendment to our Constitution directly instead of trying the political subterfuge that has gone on in this body for many decades and that is attendant in the House of Representatives.

There is an old hue and cry—we heard it in the House a few weeks ago and now and then it is uttered but in somewhat whispered tones in the Senate—why not pass a law; we really do not need a constitutional amendment.

Well, in 1978, we passed a law, Public Law 95-435, which said we would balance the Federal budget. That was the law of the land in 1978. That is when our deficit was \$776.6 billion. It did not work. Why? Because Congress did not have the willpower to adhere to its own law. So in 1 year they bypassed it.

So in 1979, Public Law 96-5 said we will balance the budget and they tied it to a debt limit vote. The Federal debt by then was \$828.9 billions of dollars.

The story goes on right through Gramm-Rudman, the passage of that law in 1985, when it worked, oh, but for a short time and the—

The PRESIDING OFFICER. The time has expired.

Mr. CRAIG. Could I have 1 more minute?

Mr. KASTEN. I yield 1 more minute to the Senator.

Mr. CRAIG. I thank my colleague for yielding.

For a short time the deficit and debt slowed.

Then in 1990 we had the great 1990 budget agreement in which debt was going to stop, the deficit was going to come down, but in doing so some voted for a major tax increase. That was nearly \$1 trillion ago.

The debt is now \$393.946125 trillion. That is as of Friday last, and the clock

is ticking very loudly to Members of the Senate. The debt now to the average citizen stands at \$15,363.

That is why the Senator from Wisconsin has brought forth this amendment. That is why he stands on the floor today fighting for fiscal integrity and trying to force this body to be politically responsible.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

Mr. WIRTH. Mr. President, I rise for recognition in opposition to the amendment.

The PRESIDING OFFICER. The Senator may proceed under the previous order.

Mr. WIRTH. I thank the Chair.

Mr. President, the amendment before us is what I would call a politician's delight. The amendment to require a constitutional amendment to balance the budget is truly political posturing, at its worst. That is the background against which we debate this constitutional amendment.

I understand what the Senator from Wisconsin is attempting to do, but I think, unfortunately, that his amendment plays also into this whole fabric of what is the ultimate, in this Senator's opinion, fiscal irresponsibility.

We already have the tools to do the job that I believe the American public wants us to do. We have the tools to balance the budget anytime we want to do it. We do not need a constitutional amendment to balance the budget. We do not need a two-thirds vote or a 60-percent vote or supermajority here or superminority over there. We do not need all of those things. We have all the tools that are necessary.

The one thing that is lacking is political will, and political will is a combination of both sides working one with the other. That is what political will is all about—each of us locking arms and striding forward. Those who have one view and those of us with a different view on the composition of Federal revenues and on expenditures getting together and determines that it is in our national interest to reduce the deficit, to spend less in some areas and to invest our national resources in a different way.

We do not need all of these artificial constructs such as a balanced budget amendment. We should not, by the way, as an aside, set up more supermajorities that encourage congressional gridlock. Should we have a supermajority related to changes in Social Security? Should we have a supermajority related to changes in the space program? Should we have a supermajority related to changes in the milk support program? Of course not.

But what we have to do is find 50 percent plus 1 of the votes to accomplish what we all know we must do. It is dif-

ficult enough to get 50 percent plus 1 of the votes to do anything around here, much less to say you have to have 60 percent of the votes to accommodate one group in the Senate. It is ridiculous.

What the Senate needs is again to lock arms, to ask our leadership to get together with the White House and lock arms, to support the proposal offered by the distinguished senior Senator from West Virginia, to ask the President to submit to us a budget that he would like us to pass that is balanced. That is a perfectly reasonable proposition. He is the Chief Executive Officer of the land. He is the natural leader of these efforts. Presumably, he is an individual who has at his command these vast resources in the bureaucracy. He has an OMB that does not stop. He has Mr. Darman as the head of the OMB who has a vast amount of experience and been through this drill for a long, long time.

The President should send down a proposal that he thinks is an appropriate way to balance the budget on a very short term or a longer period of time, whatever he thinks is the right thing to do, and then we should ask the leadership of ours, on both sides, to get together and figure out how to accomplish that goal specifically sent down to us by the President of the United States.

That is the way this process is supposed to work and it has not worked for all of those reasons. It has not worked because we have not received from any President that I can remember anything resembling, first, the template and, second, the support for arriving at that template or arriving at that goal. That has not been forthcoming.

And we, certainly, in this Chamber have not been of the mode to cooperate under some kind of a national umbrella of national goals and national purpose. It does not exist.

Why is the public out there so frustrated and angry? Because we have not had that direction coming down from Pennsylvania Avenue, and because when there has been from time to time that direction, we have not gotten together to figure out how to harness it in a constructive fashion.

We do not need a constitutional amendment. I thought the statement made by the former Senator from Connecticut, the current Governor, Lowell Weicker, that the constitutional amendment for a balanced budget was about like a football team running off the field, running up in the stands, and starting to chant, "We want a touchdown." The football team has all the tools it needs to do the job—it has the equipment, the field is lined out in 10 yard stripes. It is 100 yards long. There are 11 players on each team. There are specialists out there to do the job. There is a coach and assistant coaches.

There are some cheerleaders out there doing their job. The football team has everything necessary to score its touchdown. They do not have to run up into the stands and say, "We want a touchdown." They would be laughed off the field if they did.

We are effectively running up in the stands, looking down to the bare field which we left empty, by the way, for the last 11 years, because of stupid chanting, "We want a touchdown," "We want a balanced budget."

Like the football players we have all the tools that are necessary. We have the committees to do the job. We have the ability to write the laws that are necessary to achieve our goals. We do not need a constitutional amendment that might or might not lock us in one way or another. We do not need a constitutional amendment to delay the operation for another 3 or 4 years. We do not need a constitutional amendment that may write into the Constitution a particular kind of destructive economic doctrine.

We do not need a supermajority. This country does not have anything in the Constitution that relates to supermajorities if the Senate's day-to-day business. If the Founding Fathers thought supermajorities were a good idea and we had to have 55 or 60 or 65 percent to act, they would have put this in the Constitution.

This country runs by a majority. Our job is to find that majority to achieve the national goal of economic health. We do not need bigger majorities to do the job. We do need two things: First, leadership from the White House and, second, the kind of joint political will of locking arms here.

I can guarantee you if we decided we had to sit down and do that job and get from here to there, the chances are that the distinguished other westerner Senators that are here on the floor—and we disagree on a lot of things and have over a long period of time—but if we sat down for a period of time and said how are we going to get from here to there, and we have managed to do that on issue after issue, and we can certainly do that on this.

Why do we have to set up a lot of these artificial barriers to jump over? It does not make any sense. It just compounds the problem and creates more goldlock. It may be good politics. We have a lot of good politics around here, presumably such good politics that we are going to see a storm of voter disapproval. I think the politics are lousy. I think the politics of the constitutional amendment are the kind that sounds good if you say it fast enough. Politics make lousy policy.

The real issue is: Are we going to sit down and do the job? We cannot pretend any longer, Mr. President. Let us stop pretending. Let us get out there and do the job we were elected to do and the American public asked us to do.

Finally, Mr. President, I would point out that—and I have been on the Budget Committee in the House for 6 years and the Budget Committee in the Senate for 6 years, a real Chinese water torture duty—that Senator CONRAD, our distinguished colleague from North Dakota who has decided not to come back to the Senate, unhappily, Senator CONRAD has headed up the deficit reduction caucus. He founded it and headed it up the whole 6 years he has been here. Senator CONRAD over in the Senate Budget Committee offered the most aggressive deficit reduction package of anybody, the most aggressive package. And everybody was sitting there doing their posturing in one way or another. And, as I remember, it got three votes, and more from the other side. There was no political will there. There was no joining of hands there. We had the tools available, but something as truly ambitious as Senator CONRAD's package was not able to receive the votes.

Would the constitutional amendment have changed that? No. Would a 60-percent supermajority of one kind or another have changed that? No. What would have changed that is the installation of a certain amount of political cooperation and will here and a certain modicum of leadership coming down Pennsylvania Avenue from the White House. That, it seems to me, is what the American people are asking for and should be asking for. They are not saying to us do your job by ducking the job. They are saying do the job you were elected to do.

I would hope that my colleagues will have the wisdom, and the judgment, and the perspective to vote down this amendment, vote down all the other nonsense that is in front of us related to the balanced budget amendment, and let us get on with the real business of what is before us.

The real business is all those appropriations coming down. The real business is, are we going to work with the Soviet Union and try to nurture along that fragile experiment in democracy? The real business is getting this urban aid package done so we can at least have some small response to what happened in south-central Los Angeles. The real business is finishing these education bills that are here. The higher education bill is not done. The elementary and secondary education bill has to be done. The real business is doing what everybody knows the President will sign, and that is an energy bill, and we cannot get that out of the way either.

Let us get on with the real business of this institution. Those are the things that are important, not all of this kind of posturing and "sounds good if you say it fast enough" politics.

Mr. President, I appreciate your recognition and I yield the floor.

Mr. KASTEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. KASTEN. Mr. President, the question has been raised about the justification for a supermajority requirement, and the Senator said the Constitution does not prescribe supermajorities for a number of different things.

But I think it is important for us to point out that right this moment there is ample evidence, I believe, that the political system has become biased in favor of higher taxes and in favor of deficits. The special interests of those who want more government are better represented, very frankly, than the general interests of the taxpayers. The supermajority requirement offsets those biases.

But the Constitution does prescribe supermajority votes for a number of important decisions. A two-thirds rule exists, it is in the Constitution, to approve treaties. A two-thirds rule exists to overturn a Presidential veto. A two-thirds supermajority exists to approve the impeachment of a Federal official, and a two-thirds supermajority exists to expel a Member. New amendments to the Constitution must be ratified by three-quarters of the States and then pass Congress by a two-thirds vote. So this is not some new idea.

The idea of a supermajority is in our law, it is in the Constitution. What we are simply saying is, let us extend it so that we are able to move and stop shifting the tax burden to future generations. It is important enough, I believe, to warrant a higher vote, a supermajority, than routine decisions, routine choices of this body. That is why we are calling for a supermajority to increase taxes and that is why I hope that our amendment may succeed.

I yield 3 minutes to the Senator from Montana [Mr. BURNS].

The PRESIDING OFFICER. The Senator from Montana is recognized for 3 minutes.

Mr. BURNS. I thank the Chair and I thank my friend from Wisconsin.

My good friend from Minnesota and my friend from Colorado make very strong arguments. I will not speak on the merits of a balanced budget amendment to the Constitution, as I addressed it last week. It seems like this debate keeps going on and on and on and there would be those who would say that there are other important things to do. This is not keeping those important things off the floor. The American people should know that.

I would rather focus today on trying to find ways that we can get to the balanced budget amendment and make it work and be ready to deal with it without any impact upon the American people both in taxes and in spending.

The Federal budget must be balanced. There is no question about that.

We had to have a two-thirds majority—I guess you could figure it out—

when I was a county commissioner. There was only three of us. And it took two to one to raise taxes or to lower the taxes.

But I think this amendment would place a safeguard against Congress' propensity to raise taxes by requiring tax increases that exceed the growth of the national income to pass by a supermajority or a three-fifths majority of the whole number of both Houses of Congress.

Now, it does not say Congress will not raise taxes. We can. And we will probably prove that it can be done. It just makes it more difficult to do so. It makes it a little more difficult to waive the rule, as we say, and to get it down.

As I said last week, the only way we will ever bring the Federal budget to balance is by limiting the growth of spending.

I am starting to feel like a broken record. I have said it so many times. History has shown us time and time again the deficit reduction based on increased taxes does not work. And I would cite what those who would argue against this amendment have said. The Federal Government has always spent more than it takes in. In fact, the last time the Federal budget was balance was in 1969. Yet over the past 30 years Congress has raised taxes 56 times, 56 tax increases, and no balanced budget. It does not leave much reason to believe that a tax increase is the answer.

I guess what I am saying, it is nice to give the speech that says we have the tools but we lack the will power.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BURNS. Mr. President, I ask unanimous consent that I could have 3 minutes more.

The PRESIDING OFFICER. The Senator from Wisconsin controls 4½ minutes.

Mr. KASTEN. I yield 1 additional minute to the Senator from Montana.

Mr. BURNS. The point is, real quickly, we had Gramm-Rudman; we have had all these laws; and we have had tax increases and say we are going to balance the budget. We did not do it because for every \$1 we brought in, we spent \$1.56. And if you are going to use any wisdom and I am a freshman in this body and I look at the track record, I would have to say our track record is not very good and my wisdom tells me if we do not have the will then we must put into law what we cannot do.

So in 1992, with a 317 billion dollar deficit—and it looks like it could go to \$400 billion—I would take a strong look at this and put this into place where we can handle it and do business knowing that our primary objective is to protect the financial viability of generations to come.

Mr. President, I am pleased to be an original cosponsor of the Kasten bal-

anced budget tax limitation amendment to the Constitution and commend Senator KASTEN for his leadership on this issue.

I will not speak to the merits of having a balanced budget amendment to the Constitution as I addressed that issue last week, but rather I will focus on the necessary element of such an amendment that is included in this proposal—tax limitation.

The Federal budget must be balanced—there is no question about that—but it must not be balanced on the backs of the American taxpayer.

This amendment would put in place a safeguard against Congress' propensity to raise taxes by requiring tax increases that exceed the growth of the national income to pass by a supermajority of a three-fifths majority of the whole number of both Houses of Congress.

It does not say Congress cannot raise taxes—it just makes it more difficult for them to do so.

As I said last week, the only way we will ever be able to bring the Federal budget into balance is by limiting the growth of spending. I am starting to feel like a broken record, I have said this so many times, but history has shown us time and time again that deficit reduction based on increased taxes does not work.

The Federal Government always spends more than we can bring in. In fact, the last time the Federal budget was in balance was 1969. Yet over the past 30 years, Congress has raised taxes 56 times. Fifty-six tax increases and no balanced budget—it does not leave much reason to believe that tax increases are the answer.

The Budget Agreement of 1990 is not working to reduce the deficit as was promised. The agreement raised \$175 billion in taxes over 5 years and was supposed to reduce the deficit by \$500 billion over the same period. The projected deficit for fiscal year 1992 was \$317 billion. But it hasn't worked out that way. Instead taxes went up, the economy went down and we're nearly \$400 billion in the hole.

I voted against the 1990 agreement because I believed then, as I believe now, that increasing the taxes will not balance the budget.

It is my hope that this amendment will pass and that a balanced budget/tax limitation amendment to the Constitution will be enacted into law and sent to the States for ratification. It is only then that Congress will get serious about the need to control Federal spending.

I urge my colleagues to vote for the Kasten amendment. It is the right thing to do.

I thank the Chair and I yield the floor.

The PRESIDING OFFICER. The Senator's time has expired.

Mrs. KASSEBAUM. Mr. President, I rise in opposition to the Kasten amendment.

The PRESIDING OFFICER. Who yields time?

Mrs. KASSEBAUM. I ask 2 minutes from the opposition.

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

Mrs. KASSEBAUM. Mr. President, I rise in opposition to the Kasten amendment, not because I am an advocate of raising taxes. In fact, I certainly believe that we need to cut spending before we look to any other avenue of addressing our budget deficits. I do not support the Kasten amendment because I do not support a constitutional amendment to balance the budget, and I believe this may be the only opportunity to have a recorded vote on this issue.

Mr. President, to repeat, I rise today in opposition to the Kasten amendment because it will likely be the only RECORD vote on a constitutional amendment requiring a balanced Federal budget. As such, I believe this amendment represents more than technical refinement of, or an improvement to the bill originally introduced by Senator SIMON. In my opinion, the Kasten amendment represents an up or down vote on the very issue of a balanced budget amendment.

But Mr. President, I certainly view this measure with a sense of double frustration. I share the American people's deep concern that Congress has found no effective means of taming the deficit. Despite Gramm-Rudman, budget summits, and other such tactics, we have become only more inventive in dodging self-imposed spending limits. However, I am very wary of the adverse consequences that may result from amending the Constitution to require a balanced budget.

In considering the balanced budget amendment, Congress is once again debating procedures for dealing with the deficit instead of taking the concrete steps necessary actually to deal with the deficit. We all want to talk about the goal but not how to achieve it.

During my service in the Senate, I believe I have compiled a record as a fiscal conservative who is willing to make tough choices on the budget. In both 1984 and again in 1987, I helped lead the fight for a 1-year freeze on all Federal spending. If the freeze had passed in either of those years, the cumulative savings to date would be on the order of \$500 billion by now.

In just the past few weeks, I have cast other votes to hold the line on spending. For example, I supported a plan to cap entitlement spending—the so-called mandatory or uncontrolled programs that make up nearly half of the Federal budget. And I voted for an amendment to freeze spending for the Corporation for Public Broadcasting for 3 years.

Entitlements and public broadcasting are worthy and even necessary programs, ones I strongly support. But I

could not support writing blank checks on an empty Treasury even for the most worthy of these programs. At some point, we have to pay our bills.

The striking and, to me, the frustrating thing about these votes—the budget freezes, capping entitlements, or freezing public broadcasting—is that none of them ever gained more than 32 votes in the Senate. In other words, at least 68 Senators voted against these spending restraints.

Now we are debating a proposed constitutional amendment that requires a balanced budget unless 60 Senators vote to allow continued deficit spending. Perhaps I am missing something, but I fail to see how this new requirement will provide any real restraint on the budget.

Many of my colleagues who support the constitutional amendment argue that it will provide the necessary straitjacket for them to cast difficult votes on the budget. Their rallying cry seems to be: "Stop me before I spend again."

If I genuinely believed the constitutional amendment would work, I would support it in a minute. But the language of the amendment seems as riddled with loopholes as all our past procedural gimmicks. In addition to the 60-vote loophole, it says: "The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts."

Who will estimate outlays and receipts? What happens if the estimates turn out to be wildly off the mark, as they often have been in the past? Will the Federal courts have the power to enforce the amendment by making decisions on taxes and spending? The earliest the amendment could take effect is fiscal year 1998—what happens in the meantime?

These fundamental questions suggest the deep flaws of this approach. It is essentially a promise to think about the deficit later and to work out the details some other time. In short, the Constitution would become a pawn in our budget games and increase cynicism about Government.

The only reason I even think twice about voting against this amendment is that Kansans have asked me some simple and sincere questions in recent weeks. Would it hurt to pass a constitutional amendment? Why not try it? Can it be worse than what we have now?

Frankly, there are no clear answers to those questions. However, I am concerned that enactment of this amendment may have grave consequences. As I have stated earlier, the amendment has a number of loopholes which could make a mockery of the Constitution. In addition, it is quite possible that the amendment will give the judicial branch the power of the purse our Founding Fathers intended to be the responsibility of the legislative branch.

I do not believe that these potential results should be taken lightly, and therefore, I will vote against the balanced budget amendment.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. KASTEN. Mr. President, I suggest the absence of a quorum and ask unanimous consent the time be charged equally to both sides.

The PRESIDING OFFICER (Mr. ROBB). Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Without objection, it is so ordered. Who yields time?

Mr. KASTEN. Mr. President, I yield myself such time as I may consume.

The PRESIDING OFFICER. The Senator is recognized for up to 3 minutes and 15 seconds.

Mr. KASTEN. Mr. President, we are now about to conclude the debate on this amendment. One of the points that has come up, some say we can balance the budget by raising the taxes and particularly taxing the so-called rich. I say the middle-income American families better watch their wallets. Even if we confiscate all of the income of the millionaires, we would still run the Federal Government for a very short time, as has been pointed out by my colleagues. In 1990, they said they wanted to tax the rich, my colleagues will remember, by taxing certain luxuries. What happened instead was over 19,000 boat building workers lost their jobs, many of them in Wisconsin.

When they say "tax the rich," the small business men and women of this country better watch their wallets, too. Just this March we voted on a tax package that would have raised taxes on small unincorporated businesses. I think it is important for my colleagues to recognize that 9 out of 10 small businesses pay taxes on the individual tax rate schedules, not on the corporate tax rate schedule. So when we say "tax the rich," we are saying tax successful small businesses. Let me repeat, 9 out of 10 small businesses pay taxes on the individual tax rate schedule, not the corporate schedule.

We have been holding a series of meetings throughout Wisconsin, small business committee field hearings. I discovered that those statistics are true for Wisconsin's small businesses across the board.

I ask unanimous consent that a letter from one of Wisconsin's small businesses be printed in the RECORD.

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

KIEFFER & CO., INC.,
Sheboygan, WI, March 11, 1992.

Senator ROBERT KASTEN,
U.S. Senate, Washington, DC.

DEAR BOB: As I've been following the news, first with the President's Income Tax proposal's, and more recently the Democrat's proposals I have become very concerned.

Great emphasis is being placed on income shifting. Statistics are cited about the number of people making over \$100,000 and how they are not paying enough income tax.

I believe one important fact is being missed. Many of those people, myself included, are owners of Sub S corporations and report all of the company's income on our personal tax return. My personal income is certainly not excessive for someone managing a \$10 million company, however, when you add our modest profit (3-5 percent) and report it as personal income it sounds like a lot. I never "see" that income. It stays in the business to help finance our growth. Like many small businesses, we're under capitalized, we've utilized SBA loans to the maximum, and we need every dollar we earn.

If the Democrat's proposed tax increases occur I will be looking at a 25 percent increase in our business tax plus the possible loss of most of my personal tax deductions. That additional cost will have to come out of the business' income. This will have a dramatic negative impact on our ability to pay our suppliers and bank, provide pay increases to our current employees, grow and add jobs.

I often read that new jobs in our country occur because of the growth of small business. I know we have grown from 5 employees to 92 employees since 1980. If the economy is dependent on small business growth, then the Democrats' proposal will stop and reverse any chances that we are going to end the current recession this year, and perhaps for the next several years.

Perhaps you and your staff can expand this thought and gain the country's, and the Senate's attention before this business tax is passed.

Sincerely,

STEPHEN G. KIEFFER,
President.

Mr. KASTEN. Mr. President, these are the small businesses, the sole proprietors, the subchapter S corporations that our economy has relied on to create the new jobs. That is why the National Federation of Independent Business, NFIB, has made the vote on the Kasten amendment, this vote, a key small business vote. So a vote for the Kasten amendment is a vote for the small business men and women of America.

It is time for Senators to decide whose side they are on, the side of high taxes and status quo and the special interests or on the side of the American taxpayers, the families, the farmers, the small business people who pay the taxes, who pull the wagon and create the jobs. This is a vote on the substance. It is not a procedural vote that can be blurred or explained away. It is a record vote on taxpayer protection. You are either for taxpayer protection or you are against it. I thank my colleagues and I urge their support for this amendment to protect the American taxpayer. I ask unanimous consent that letters of support and a num-

ber of news articles be included at the end of my statement along with a list of tax increases since 1962.

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

MAKE IT MORE DIFFICULT TO INCREASE TAXES

DEAR SENATOR: On behalf of the over 550,000 members of the National Federation of Independent Business (NFIB), I urge you to support the Kasten tax limitation amendment to the balanced budget amendment to the Constitution, which is pending in the Senate.

Small business owners have long been concerned about the size of our nation's debt, but higher taxes are not the answer to it. The federal deficit is not the result of too little taxation. The deficit is the result of federal spending that is out of control. The Kasten amendment would force both Congress and the President to make the tough spending choices that have been repeatedly put off for the last decade. NFIB members strongly support tax limitation language to any amendment to the Constitution to balance the budget.

Sincerely,

JOHN J. MOTLEY III,
Vice President,
Federal Governmental Relations.

**COALITION FOR FISCAL RESTRAINT,
May 6, 1992.**

OPEN LETTER TO MEMBERS OF THE UNITED STATES SENATE

The undersigned members of the Coalition for Fiscal Restraint (COFIRE) understand that later this month the Senate may take up the subject of an amendment to the Constitution which would require a balanced federal budget.

As a result, we are writing to indicate our support for the balanced budget/tax limitation amendment (S. J. Res. 182) which will be offered by Senator Kasten.

To contain spending growth, the Kasten resolution would require a three-fifths vote in both houses of Congress in order to permit federal outlays to exceed receipts but with an escape clause in the event of a declaration of war.

In addition, it would require the same super-majority vote in both houses in order to increase taxes at a rate greater than the rate of increase in national income.

Continued growth of a national debt approaching \$4 trillion caused by massive deficit spending is not only a threat to the nation's present and future economic strength but a legacy for future generations of debt unworthy of a responsible society.

For these reasons, we join together in this endorsement of S. J. Res. 182 when it comes before the Senate.

American Farm Bureau Federation.
American Furniture Manufacturers Association.
American Legislative Exchange Council.
American Rental Association.
Americans for Tax Reform.
Amway Corporation.
Automotive Service Association.
Baroid Corporation.
Chamber of Commerce of the United States.
Citizens Against Government Waste.
Citizens Against a National Sales Tax/VAT.
Citizens for a Sound Economy.
CNP Action, Inc.
Commercial Weather Services Association.

Committee for Private Offshore Rescue and Towing.

Consumer Alert Advocate.
Dairy and Food Industries Supply Association.

FMC Corporation.
Helicopter Association International.
International Ice Cream Association.
Koch Industries.
Marriott Corporation.
Milk Industry Foundation.
National-American Wholesale Grocers' Association.

National Association of Charterboat Operators.

National Association of Convenience Stores.

National Association of Manufacturers.
National Cattlemen's Association.
National Cheese Institute.
National Food Brokers Association.
National Grange.
National Independent Dairy-Foods Association.

National Tax Limitation Committee.
New England Machinery, Inc.
The Seniors Coalition.
Sybra Corporation.
Truck Renting and Leasing Association.
United States Business and Industrial Council.
United States Federation of Small Businesses.
Valhi, Inc.

[From the Washington Times, May 26, 1992]
BALANCED BUDGET EXPRESS TO WHAT DEPOT?
(By Bob Kasten)

The U.S. Senate is expected to vote next month on a constitutional amendment mandating a balanced budget. Sen. Paul Simon, Illinois Democrat, and Rep. Charles Stenholm, Texas Democrat, are proposing one approach that would not work because it would not limit taxes.

Along with Reps. Joe Barton, Texas Republican, and Billy Tauzin, Louisiana Democrat, I have introduced another approach that would require a three-fifths vote of Congress to approve tax increases beyond the rate of growth of the economy, as well as a three-fifths vote to spend more than revenues allow.

My balanced budget amendment—which I call the Taxpayer Protection Amendment—would not just eliminate the deficit—it would also break the cycle of escalating federal spending and taxation.

The basic problem is a federal government that's too big and spends too much. Congress runs up huge deficits and debt because every special interest has a voice when it comes to spending, but there are very few lobbyists for the U.S. taxpayer.

Under the Simon-Stenholm amendment, Congress could always find the money for extra spending it wants by raising taxes—and they could escape the wrath of voters by claiming the Constitution made them do it.

In fact, the sponsors of this non-tax limitation amendment have already come out of the closet. According to a recent article in The Washington Post, Mr. Stenholm said he favors an "automatic mechanism" to enforce the balanced budget mandate that would reduce spending and raise taxes. Mr. Simon said, "We're not talking about huge tax increases."

I don't think we ought to be talking about tax increases at all. I think Mr. Simon's idea of what constitutes a "huge" tax increase is somewhat different from mine—and most American taxpayers.

While this automatic mechanism may begin with \$2 in spending restraint for \$1 in

tax increases, the final result will not even be close. History shows that the tax increases arrive quickly, while spending cuts are nowhere to be found.

In the 1982 budget deal, Congress promised President Reagan \$3 in spending cuts for every \$1 in tax increases, but in the final analysis spending went up by \$2!

Look at the so-called "budget summit" of 1990. It supposedly raised our taxes by \$165 billion to reduce the deficit. I voted against it because I knew that when taxes went up, spending would rise even faster. And that's exactly what happened. The deficit has exploded to a record \$400 billion.

Over the last 30 years, Congress has balanced the budget only once, but raised taxes 56 times.

We cannot allow them to use a balanced budget amendment as a Trojan Horse for tax increases. The Kasten Taxpayer Protection Amendment would require Congress to muster a three-fifths supermajority vote to let the federal government's income grow faster than the paychecks of U.S. workers.

Limiting both taxes and spending would help put our economy back on track. Without a growing economy that is generating new jobs and the necessary tax revenues, we will never balance the federal budget. In the low-tax, high-growth years of 1983-89, the budget deficit as a share of the economy declined from 6.5 percent of gross domestic product (GDP) to 3 percent. The high-tax, recessionary policies of the past three years have pushed the deficit back up to 7 percent of GDP.

So let's get a vote on the Kasten Taxpayer Protection Amendment. Let senators decide whose side they are on—the side of high taxes, the status quo, and the special interests, or the side of the U.S. taxpayers.

[From the Wall Street Journal, Apr. 29, 1992]

SIMON'S TAX INCREASE

Faster than you can say "House Bank scandal," Congress is suddenly enamored of a constitutional amendment to balance the federal budget. We know what you're thinking, and yes, it's too good to be true.

The House Budget Committee, heretofore uninterested in the amendment, plans to hold hearings. House Speaker Tom Foley predicts the amendment will pass this year, despite his personal opposition. Texas Democrat Charles Stenholm's amendment bill has 268 co-sponsors, including 110 Democrats. In the Senate, Democrat Paul Simon of Illinois declares, "I think we have a real chance of passing it." The last time the Senate even allowed a vote on the amendment was 1986, the year before George Mitchell's liberal Democratic faction took over.

We suppose it's healthy that the Members are feeling enough political pressure to do something, anything, about a runaway federal budget. Yet this Beltway groundswell has all the sincerity of a trial lawyers' convention. Mr. Simon, who ran for President as the only true New Deal heir in 1988, wants us to believe he's worried about federal spending.

Mr. Simon's political camouflage would allow Members to tell angry voters that they're really champions of fiscal probity because they support a "balanced budget." Yet it contains no restraint on the real problem, which is spending and taxes.

The Simon propaganda on the bill stresses "the deficit," never *spending*. He frets about "staggering deficits year after year," and "sending the bill to our grandchildren," but he can't find anything but defense spending to actually cut. Mr. Stenholm has a much

better personal record on spending, but his amendment also lacks a tax-and-spend limitation.

The Simon-Stenholm approach would in effect create an automatic tax-increase mechanism. Every time the budget would go into deficit, Congress and the President would have to close the gap. The choices would be lower spending or higher taxes. But spending cuts never pass because the Members are in political hock to active, vociferous lobbies (such as public-employee unions).

Higher taxes may be unpopular, but a balanced-budget amendment would create a political "necessity" that makes it easier for politicians to justify more new taxes. This has more or less been the experience in states that have balanced-budget laws. Just ask California's Republican Governor Pete Wilson, who had "no choice" but to sign a record tax hike in 1991.

By contrast, Republican Senator Robert Kasten of Wisconsin is offering a balanced-budget amendment that has real teeth. It'd require a three-fifths supermajority in Congress to deficit-spend. But it also requires a three-fifths vote to increase taxes above the rate of economic growth. In short, if voters had to tighten their belts in a recession, so would the federal government.

The Kasten amendment is supported by the various groups that care about the size of government, such as the American Farm Bureau Federation. President Bush has said that any balanced-budget amendment "should include safeguards against a resort to higher taxes," presumably of the Kasten sort. Because it's for real, Mr. Kasten's bill has only 16 Senate co-sponsors. Mr. Foley may not let a similar bill even get a vote in the House.

As we've argued here for nearly two decades, the deficit boom began with the Budget Act "reform" of 1974. Passed over a Watergate-weakened President, that bill stripped the executive of the impoundment power and made Congress's 535 logrollers the dominant budget force.

This is obvious from the cynical way Congress is now lobotomizing the \$7.9 billion in spending "rescissions" (cuts) that President Bush has proposed. Speaker Foley's Democrats have stripped them back to \$5.7 billion, and replaced many of Mr. Bush's proposals with their own cuts, which punish Members who've had the temerity to support rescissions. Republican Harris Fawell of Illinois has seen funding for the renowned Fermi National Laboratory in his district gutted. The status quo Congress punishes its heretics.

The solution is to make someone besides the logrollers accountable again. Our belief has been that the best way to do this is to put the President back into the process with a line-item veto. Maybe President Bush should propose a deal: He'll sign a phony balanced-budget amendment if Congress will pass a real item veto.

[From the Washington Times, May 7, 1992]

WHITE HOUSE BACKS AMENDMENT ON BUDGET

(By Joan Lowy)

White House Budget Director Richard Darman yesterday threw the Bush administration's weight behind a constitutional amendment that would make it more difficult for Congress to raise taxes in addition to forcing a balanced budget.

In testimony before the House Budget Committee, Mr. Darman said the White House supports constitutional amendment proposals in the House and the Senate that would require both a balanced budget and a three-fifths "supermajority" vote of Congress to raise taxes.

"I think that if we don't have that kind of protection, the temptation will be to solve the problem without solving the problem—to keep raising taxes," Mr. Darman said.

The leading proposals for a balanced budget amendment do not include a requirement for a supermajority vote to raise taxes. Supporters believe that, for the first time, they have the necessary votes to pass a balanced budget amendment, but they worry the tax issue could sink the entire effort.

"It's my observation that while we can pass a balanced budget amendment, it would be very difficult to get the voters to pass a balanced budget amendment with a supermajority for a tax increase," said Rep. Lewis F. Payne Jr., Virginia Democrat.

Mr. Darman sidestepped questions from Mr. Payne on whether the administration would still support a constitutional amendment requiring a balanced federal budget if it doesn't include a provision making it more difficult to raise taxes.

"We very, very, very strongly would prefer the supermajority," Mr. Darman said. "I would say this: If in the effort to get that we do not succeed, then I think it becomes all the more important to assure" actions are taken to reduce spending so that a constitutional amendment doesn't "drive the system to go try to increase taxes."

He added: "I stand on what I said, which I know is not the world's clearest answer."

A two-thirds majority of Congress—67 votes in the Senate and 290 votes in the House—is required to approve a constitutional amendment.

Sen. Paul Simon, Illinois Democrat and chief sponsor of the leading balanced budget amendment in the Senate, has said he believed he has the necessary votes for approval. But Mr. Simon has made it clear he will work to defeat any balanced budget amendment that also requires a three-fifths vote to raise taxes.

Sen. Robert Kasten, Wisconsin Republican, is sponsoring an alternative amendment that includes a requirement for a three-fifths vote to raise taxes. Mr. Kasten has said he will support Mr. Simon's proposals if his own fails.

But some supporters of Mr. Kasten's amendment have made it clear that if they can't make it more difficult to raise taxes, they'd rather see no balanced budget amendment at all.

In the House, there are 276 cosponsors for the leading balanced budget amendment proposal sponsored by Rep. Charles Stenholm, Texas Democrat. Another 20 or so members have privately told Mr. Stenholm they will vote for his proposal if it's brought to the floor.

An alternative amendment sponsored by Rep. Joe Barton, Texas Republican, that includes a three-fifths vote to raise taxes has also been introduced. But it doesn't appear to have enough support to supplant Mr. Stenholm's proposal.

A test of support for the issue is expected today, when the House is scheduled to vote on a motion by Rep. Willis Gradison Jr., Ohio Democrat, instructing House negotiators to accept Senate-approved language in the annual budget resolution urging adoption of a balanced budget amendment to the Constitution.

Any constitutional amendment approved by Congress would still need to be ratified by 38 states, a process most experts believe would take a minimum of two years.

[From the Washington Post, May 15, 1992]

BALANCED-BUDGET CLOUD

An Administration-backed effort to make it more difficult for Congress to raise taxes

in the future suddenly has clouded the previously bright prospects of passage this year of a proposed balanced-budget constitutional amendment.

The Senate is expected to vote next month on the proposed amendment to constitutionally mandate that Congress and the administration eliminate the federal deficit, which will reach an estimated \$400 billion this year.

However, proponents of the amendment said the measure would fail if Sen. Robert W. Kasten Jr. (R.-Wis.) succeeds in adding a rider that would require a three-fifths vote in the House and the Senate to enact a tax increase larger than the growth rate of the economy.

Sen. Paul Simon (D-Ill.), the chief sponsor of the balanced-budget amendment, said the Kasten provision would leave government with inadequate flexibility in choosing between spending cuts and tax increases to balance the budget. The Senate and House versions of the balanced-budget amendment require only a simple majority vote to raise taxes.

President Bush had insisted that a balanced-budget amendment include "safeguards against a resort to higher taxes as the means to complying with the constitutional amendment."

An administration official conceded after Bush met with a bipartisan congressional delegation to discuss strategy for passing the amendment that Kasten's proposal potentially was a "poison pill" but that Bush intends to support the rider.

Proponents of the constitutional amendment predict that Kasten's rider will be defeated, but Kasten aides cite a U.S. Chamber of Commerce survey of its members indicating that, by 3 to 1, they would oppose enactment of a balanced-budget amendment without a strong limitation on tax increases.

[From The Wall Street Journal, May 26, 1992]

HOW TO MAKE A BALANCED BUDGET AMENDMENT WORK

(By James C. Miller III)

Many on Capitol Hill believe that a balanced budget amendment is a bad idea whose time has come. It's not a new idea. Thomas Jefferson opposed granting the federal government the power to borrow money, and in 1798 advocated a constitutional amendment to take away this power. While Jefferson's amendment was not needed during the early years of the Republic—between 1789 and 1930 the federal government ran substantial deficits only in wartime—the Keynesian Revolution made deficits respectable. Since 1930 the federal government has balanced its budget only eight times.

The various balanced budget amendments on offer today would not outlaw deficits, as Jefferson wanted, but merely make them more difficult. At present, it takes a majority of those present and voting in each house of Congress plus the president's approval (or two-thirds of those present and voting in each House to override a presidential veto) to enact appropriations—that exceed total revenues. The proposed amendments would require that to run a deficit three-fifths of the entire membership of each house must approve.

A balanced budget amendment has some attractions. When the fiscal histories of the states are compared, it appears that a balanced budget amendment in state constitutions trims the rate of growth in state spending by about one-half a percentage point. But the amendment also has some dangers, and these must be addressed.

An amendment must not be an excuse for Congress to raise taxes. The balanced budget amendments sponsored by Sen. Paul Simon (D., Ill.) and by Rep. Charles Stenholm (D., Texas) would require a majority of the membership of each house (instead of a majority of those present and voting) to approve any bill to increase revenue. The more stringent amendment sponsored by Sen. Bob Kasten (R., Wis.) and Rep. Joe Barton (R., Tex.) would limit the rate of increase in tax receipts to the rate of increase in national income, unless a law authorizing a greater increase is enacted by a three-fifths vote of the membership in each house.

A second danger is that none of the proposals gets at the other ways the federal government gains command over resources. For example, a recent study by Professor Thomas D. Hopkins of the Rochester Institute of Technology concludes that the annual cost of federal regulation to the economy is about \$400 billion, nearly one-quarter as much as the cost of direct federal spending, \$1.5 trillion. If some sort of balanced budget amendment is added to the Constitution, Congress will be tempted simply to substitute regulation for taxation.

This is quite easily accomplished. For example, recently the House of Representatives held hearings on a bill to add to the Strategic Petroleum Reserve—not by having the government purchase the oil, but by requiring petroleum companies to contribute oil to the reserve in proportion to their purchases of crude (though they would still retain title).

Congress can also circumvent restraints on deficits by moving its activities "off budget." Instead of subsidizing farmers directly, for instance, Congress could expand crop insurance. Congress's unfunded liabilities stemming from federal insurance programs—Medicare, hospitals, pensions, aviation, war risk and so forth—already total more than \$4.4 trillion. Guarantees of one form or another—from bank deposits to student loans—already total more than \$1.6 trillion.

There is no way to prevent Congress from regulating and moving expenses off-budget. But a regulatory budget—one that shows the costs of proposed federal rules—would help. And the savings and loan debacle seems to have made Congress a little more cautious about extending federal guarantees to the private sector.

A third danger of a balanced budget amendment are the loopholes likely to show up in it. For example, the Simon amendment requires that a bill to increase revenue be approved by a rollcall vote of the membership of each house or by unanimous consent. Of course, unanimous consent is the means Congress often uses to pass controversial bills, such as last year's pay increase. ("A tax increase? What tax increase? I wasn't there!")

Likewise, the Stenholm version of the amendment requires that Congress and the president pass a law memorializing their agreement over the revenue estimate for the coming year before the fiscal year begins. This agreement would then become the ceiling for outlays unless three-fifths of the membership of each house says otherwise. But what if Congress and the president don't agree? Rep. Stenholm has addressed that problem in the latest version of his amendment by subjecting any vote to authorize an increase in the national debt to a three-fifths rollcall vote of the total membership in each house. But what if that provision falls out in the negotiations?

The fourth, and by far the biggest danger, in a balanced budget amendment is enforce-

ability. That is, how do we make sure that Congress and the president abide by the amendment's provisions? Ordinarily, U.S. citizens do not have standing to seek court enforcement of constitutional requirements. Why not give taxpayers standing to enforce the amendment within the amendment's own text?

Alternatively, why not state that all debts incurred by the U.S. in contravention of the amendment are not redeemable? (Presumably, no one would purchase federal debt instruments in such a situation, and thus deficit spending could not take place.) In any event, some means must be employed to make the amendment enforceable.

A true balanced budget amendment would indeed help to relieve our progeny of the cost of our own irresponsible behavior. But an effective and enforceable balanced budget constitutional amendment is not going to be easy to achieve.

[From the Washington Post, June 4, 1992]

RIVAL AMENDMENTS TO BALANCE THE BUDGET

Recent editorials against a balanced budget amendment [May 12, May 20, May 27, June 1] disregard some critical points.

If the legislative history of the past three decades proves anything, it is that the institutional bias of Congress toward tax-and-spend policies cannot be overcome without a new budget mechanism.

On the state level, this mechanism usually takes the form of a constitutional requirement that the budget be balanced annually. Sen. Paul Simon (D-Ill.) is proposing that we translate this approach directly to the federal level.

In our opinion, this approach would not succeed in lowering the federal government burden on the productive economy. In fact, it might even discourage job creation and economic growth.

The Simon amendment would practically mandate tax increases by making it essential that the budget be balanced no matter what level of spending Congress approves.

It's easy to see how this would lead to abuse. Special interests would line up at the trough, each demanding federal dollars for their own budget priorities. Their demands would be met, leaving us with a deep deficit. Congress would then have to raise taxes automatically.

If the tax increase is indeed mandated by the Constitution, members of Congress can no longer be held accountable for this most basic budget decision.

We believe that process should be going in the opposite direction—toward greater congressional accountability. Our amendment would require a three-fifths vote of Congress to approve tax increases beyond the rate of growth of the economy, as well as a three-fifths vote to spend more than revenues allow or to increase the public debt.

This would not just eliminate the deficit—it would also break the cycle of escalating federal spending and taxation.

In the 1980s, thanks to a high rate of economic growth, federal revenues rose by 72 percent. Congress—compelled by its institutional bias—raised spending by 85 percent. Under the Simon proposal, whether by economic growth or—more likely—through punishing tax increases on American working families, Congress would always find the money for the extra spending it wants to approve.

Under our proposal, federal taxes could not grow faster than the growth in national income, and actual outlays could be no more than anticipated outlays.

The current hijacking of one-quarter of our annual wealth from productive investment by the federal government is one of the chief causes of the recent economic downturn.

To attempt to solve the deficit problem in a vacuum—with no concern about the repercussions on the real economy—would be irresponsible in the extreme. What we need is a comprehensive overhaul of the system.

This is what our amendment would accomplish—and the Simon alternative would not.

ROBERT W. KASTEN, Jr.,

U.S. Senator (R-Wis.)

JOE L. BARTON,

U.S. Representative

(R-Texas).

WASHINGTON.

[From the Milwaukee Journal, June 6, 1992]

Your editorial on balanced budget proposals, "US debt can't be wished away," May 11, is seriously off-target in leveling an attack against any constitutional amendment.

It is true that some of the proposed amendments to the Constitution—particularly the one sponsored by Sen. Paul Simon (D-Il.)—might well lend themselves to budget gimmickry instead of a balanced budget. That's why I am proposing my own alternative—a Constitutional amendment that would not only require a balanced budget on paper, but also includes a solid enforcement mechanism.

My amendment would require a three-fifths vote of Congress to approve tax increases beyond the rate of growth of the economy, as well as a three-fifths vote to spend more than revenues allow or to increase the public debt. The economic history of the 1980s demonstrates why this is the superior approach. In the 1980s economic boom, federal revenues rose by 72%. Congress, compelled to spend every cent that came in and more, raised spending by 85%.

With one exception in 1969, Congress has failed to balance the budget in each of the last 30 years. Over the same period, taxes have been raised 56 times. Clearly, the institutional bias of Congress is to spend more and tax more. The Simon Amendment would merely "lock in" a continually increasing level of both taxes and spending.

My approach would break this cycle completely by helping close off the tax-increased avenue favored by the federal bureaucracy.

One of the chief causes of the recent economic downturn is the diversion of national resources from the productive sector to Congress. Federal spending keeps on increasing—from 20.7% of our national output in 1979 to more than 25% today.

A country that spends fully one-fourth of its annual wealth to finance its federal government can not long remain competitive in the global economy. That's why it's irresponsible to argue—as you do—that we need to raise taxes again. Taxes are more than high enough already. The economically rational course of action is to restrain government spending and that's what my proposal would do.

BOB KASTEN,

U.S. Senator.

[From the Washington Times]

BALANCED BUDGET VERITIES

(By Paul Craig Roberts)

Conservatives can't believe their luck that liberals like Sen. Paul Simon, Illinois Democrat, are pushing a balanced budget amendment to the U.S. Constitution.

For years, a balanced budget amendment has been the conservatives' panacea for

spending control. Now the Democrats in both houses apparently have enough sponsors to pass such an amendment.

Conservatives think it doesn't matter whether the liberals are using the issue to deflect public anger over the House banking scandal. What if liberals save their seats with our issue, ask the conservatives, as long as they deliver themselves into our hands on the issue of spending control.

That's far from a likely outcome. Liberals usually outfox the conservatives, as in the case of the Darman budget deal that cost President Bush his credibility with voters. Mr. Bush signed a tax increase, and both spending and the deficit went up.

Another example of conservative miscalculation was the Budget Control Act of 1974. Conservatives believed that spending was out of control, because big spenders could indirectly legislate big deficits by voting in favor of many separate appropriation bills. Conservatives believed that if liberals had to vote on the size of the deficit itself, there would be lower and firmer limits to spending. The Budget Control Act, conservatives thought, was a way of putting the big spenders on the spot.

However, it did not work out that way in practice.

The economic policy of the time justified budget deficits as a full employment policy. Liberals structured the vote on the budget in terms of employment vs. unemployment and not in terms of red ink vs. a balanced budget. The budget act further worsened the deficit by stripping away the president's impoundment power.

A similar backfire is likely from a balanced budget amendment that does not contain a tax limitation amendment. Without strong protection against higher taxes, a balanced budget amendment will simply serve as a ramp for more taxes. Members of Congress will pass many appropriation bills and then discover at the end of the year a looming deficit. "Sorry," they will tell us, "we are against raising your taxes, but the U.S. Constitution requires it."

Alternately, off-budget items will increase in number until the only thing left on-budget is the payroll for federal employees.

Mr. Simon has said he will withdraw his support from the balanced budget amendment if a tax limitation measure is attached. That should make the purpose of the balanced budget amendment clear to conservatives. Why would big spenders such as Democratic Reps. Jim Moody of Wisconsin and Joe Kennedy of Massachusetts be supporting any measure designed to curtail their spending proclivity?

If a real balanced budget amendment could be passed and enforced, it would be passed and enforced, it would be a good thing. The growth of government spending hurts the economy because the government uses resources far less efficiently than the private sector.

The charge that a balanced budget requirement would leave the federal government unable to respond to emergencies and natural disasters, such as floods and earthquakes, is false. There is nothing to prevent government from having a contingency fund for such purposes.

Modern economists no longer believe that deficits are necessary for full employment. With this economic rationale for their existence gone, there is really no reason to keep deficits around.

It is surprisingly easy to get rid of budget deficits. Rather than undertake to amend the constitution and wait three or more

years for the 50 States to ratify the amendment, the politicians could simply freeze the budget for one year. No one would be materially harmed by receiving the same amount of money next year as this year. No political revolution would result, and no one would starve in the streets.

The budget deficit would, however, be substantially reduced. If the budget were frozen two years while the economy grew, it would be the end of the deficit. It is as simple as that.

ORGANIZATIONS SUPPORTING A BALANCED BUDGET/TAX LIMITATION AMENDMENT (KASTEN VERSION, S.J. RES. 182)

U.S. Chamber of Commerce.
National Federation of Independent Business.

National Tax Limitation Committee.
Coalition for Fiscal Restraint.
Citizens for a Sound Economy.
American Farm Bureau Federation.
National Cattleman's Association.
Americans for Tax Reform.
U.S. Business and Industrial Council.
American Legislative Exchange Council.
Consumer Alert Advocate.
Seniors Coalition.
Americans for a Balanced Budget.
American Rental Association.
Amway Corporation.
Automotive Service Association.
Barold Corporation.
Council for Citizens Against Government Waste.
Citizens Against a National Sales Tax/VAT.

CNP Action, Inc.
International Ice Cream Association.
Koch Industries.
Marriott Corporation.
Milk Industry Foundation.
National American Wholesale Grocers' Association.

National Association of Charterboat Operators.
National Association of Convenience Stores.

National Association of Manufacturers.
National Cheese Institute.
National Food Brokers Association National Grange.
National Independent Dairy-Foods Association.

New England Machinery, Inc.
Sybra Corporation.
Truck Renting and Leasing Association.
United States Federation of Small Businesses.

Valdi, Inc.
Associated Builders and Contractors.
Competitive Enterprise Institute.
Irrigation Association.
National Taxpayer Union.
American Furniture Manufacturers Association.

Commercial Weather Services Association.
Committee for Private Offshore Rescue and Towing.

Consumer Alert Advocate.
Dairy and Food Industries Supply Association.
FMC Corporation.
Helicopter Association International.
National Grange.

THE WHITE HOUSE,
Washington, June 9, 1992.

HON. ROBERT H. MICHEL,
Republican Leader, House of Representatives,
Washington, DC.

DEAR BOB: Three years ago, in my first address to the Congress as President, I urged

adoption of a balanced budget amendment to the Constitution. This is an amendment that many have sought for a long time. It is not radical. It rests on common sense. It would bring to the Federal Government the fiscal discipline that forty-four States have applied to themselves. Now, at last, there is a realistic opportunity to move this needed proposal forward.

The House will vote on the balanced budget constitutional amendment this week. This vote will bear directly on the quality of Americans' lives for generations to come.

I strongly support the Barton-Tauzin amendment. This amendment would prevent the debt limit or taxes from being raised without the consent of three-fifths of both Houses of Congress. If the Barton amendment fails to gain a two-thirds majority, I will also support the Stenholm-Smith-Carper-Snowe amendment. The Stenholm amendment requires that three-fifths of both Houses of Congress must vote to approve any increase in the limit on the Federal debt held by the public.

The issue of overriding importance is whether we can secure a balanced budget constitutional amendment. This issue is not partisan, it is moral. What is at stake is the future economic security of the American people.

Throughout the history of this great nation, amendments to the Constitution have been adopted when needed to protect fundamental rights that ordinary political processes may not adequately respect. The Bill of Rights is the earliest and best-known example. A balanced budget constitutional amendment is both necessary and appropriate to protect the interests of a group of Americans who are not yet able to represent themselves: the citizens of future generations.

I urge the Congress to adopt promptly a balanced budget constitutional amendment.

Sincerely,

GEORGE BUSH.

TAX LIMITATION/BALANCED
BUDGET COALITION,
Arlington, VA, May 11, 1992.

DEAR SENATOR: We, the members of the Tax Limitation/Balanced Budget Coalition, strongly urge you to vote for the Kasten Tax Limitation/Balanced Budget Amendment, S.J. Res. 182, which may well come to the floor for a vote later this year.

It is high time the federal government live within its means. This amendment requires a three-fifths vote to raise taxes above the rate of economic growth. In addition, it would also set a permanent limit on the national debt, unless increased by a three-fifths vote.

The federal fiscal record over the last several decades is depressing—higher taxes, higher spending, higher deficits. Please help put an end to this pattern by voting for the Kasten Tax Limitation/Balanced Budget Amendment.

Sincerely,

ROBERT B. CARLESON,
Chairman, Coalition
Steering Committee.

Coalition members:
Americans for Tax Reform.
American Farm Bureau Federation.
American Legislative Exchange Council.
Associated Builders & Contractors.
Chamber of Commerce of the United States.

Citizens for a Sound Economy.
Competitive Enterprise Institute.
Consumer Alert Advocate.

Council for Citizens Against Government Waste.

Irrigation Associations.
National Association of Manufacturers.
National Cattlemen's Association.
National Tax Limitation Committee.
National Taxpayers Union.
U.S. Business and Industrial Council.
Citizens Against a National Sales Tax/VAT.

Citizens for a Sound Economy.
CNP Action, Inc.
Commercial Weather Services Association.
Committee for Private Offshore Rescue and Towing.

Consumer Alert Advocate.
Dairy and Food Industries Supply Association.

FMC Corporation.
Helicopter Association International.
International Ice Cream Association.
Koch Industries.
Marriott Corporation.
Milk Industry Foundation.
National-American Wholesale Grocers' Association.

National Association of Charterboat Operators.
National Association of Convenience Stores.

National Association of Manufacturers.
National Cattlemen's Association.
National Cheese Institute.
National Food Brokers Association.
National Grange.
National Independent Dairy-Foods Association.

National Tax Limitation Committee.
New England Machinery, Inc.
The Seniors Coalition.
Sybra Corporation.
Truck Renting and Leasing Association.
United States Business and Industrial Council.

United States Federation of Small Businesses.
Valhi, Inc.

STATE OF WISCONSIN,
May 12, 1992.

Hon. ROBERT W. KASTEN, Jr.,
U.S. Senate, Senate Hart Building, Washington, DC.

DEAR SENATOR KASTEN: I would like to take this opportunity to express my support for your Balanced Budget/Tax Limitation amendment (S.J. Resolution 182).

It is vital to the economic health of our nation that the federal government follows the lead of states like Wisconsin and begins balancing its budget. Your proposal offers the best solution on how to accomplish this.

Unlike a similar proposal offered by Senator Paul Simon (D-Illinois), your version calls for a balanced budget without giving Congress an excuse to raise taxes.

By requiring a three-fifths vote of both houses in Congress in order to allow deficit spending and raise taxes, your amendment requires Congress to exercise fiscal restraint when voting on federal budgets.

Our national debt is approaching \$4 trillion. It is imperative that we stop this outrageous growth in federal spending and start taking responsibility for actions that could severely harm the future of this country. Your amendment is a step in the right direction.

I strongly endorse the Kasten version of the balanced budget amendment.

Sincerely,

TOMMY G. THOMPSON,
Governor.

WISCONSIN FARM BUREAU FEDERATION,
Madison, WI, June 11, 1992.

Hon. ROBERT KASTEN,
Hart Office Building, Washington, DC.

DEAR SENATOR KASTEN: I would like to express my support for your Balanced Budget/Tax Limitation amendment (S.J. resolution 182). Your active involvement in trying to pass this vital legislation in the past has been appreciated.

Farm Bureau has recognized the need for a constitutional amendment to balance the federal budget for more than two decades. Because of Congress' inability to enact meaningful and effective deficit reduction legislation, it is clear the balanced budget amendment is sorely needed.

Agriculture is willing to work with Congress and the administration to reduce all federal spending. Farmers have already contributed greatly to deficit reduction over the last five years, reducing outlays by half. If other programs would undergo similar budget scrutiny, it would be possible to reduce and hopefully eliminate our federal deficit.

Cutting federal spending and eliminating our budget deficit is the quickest way to restore America's and agriculture's financial integrity.

Sincerely,

HOWARD (DAN) POULSON,
President.

WISCONSIN MANUFACTURERS &
COMMERCE ASSOCIATION,
Madison, WI, June 11, 1992.

Hon. ROBERT W. KASTEN, Jr.,
U.S. Senate, Senate Hart Building, Washington, DC.

DEAR SENATOR KASTEN: Wisconsin Manufacturers and Commerce strongly supports your Balanced Budget/Tax Limitation Amendment, S.J.R. 182.

As Wisconsin's largest business association, we are acutely aware of the effects a heavy debt can have on a business' bottom line. Government must follow the lead of business and shed the heavy debt load that it has forced upon itself. The first step is to balance its budget.

By requiring a three-fifths vote on both Houses in Congress in order to allow deficit spending and raise taxes your amendment requires Congress to exercise fiscal restraint when voting on federal budgets. Then intended result is a balanced budget.

It is imperative that we stop the outrageous growth in federal spending and start taking responsibility for actions that could severely harm the future of this country. Your amendment is a step in the right direction and therefore we heartily support your efforts.

Sincerely,

NICK GEORGE, Jr.,
Director of Legislative Relations.

METROPOLITAN MILWAUKEE
ASSOCIATION OF COMMERCE,
Milwaukee, WI, June 10, 1992.

Hon. ROBERT W. KASTEN, Jr.,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR KASTEN: I am writing to express the support of the Metropolitan Milwaukee Association of Commerce for your Balanced Budget/Tax Limitation Amendment, S.J.R. 182.

In survey after survey, our members have told us that balancing the federal budget and reducing the deficit are top priorities. The economic growth of this country depends on our ability to live within our means. That means a balanced budget without raising taxes!

Our national debt is approaching \$4 trillion. This year's budget deficit will be \$400 billion. We need a tough balanced budget amendment to curb the congressional appetite for further spending growth.

A number of balanced budget proposals have been submitted. However, it is vital that an amendment be passed which encourages spending restraint, not a tax increase, as the means of balancing the budget. Your amendment does this.

Thank you for your efforts to keep spending and taxation under control in this country. If there is anything we can do to assist your efforts to pass this resolution, please contact me.

Sincerely,

JOHN DUNCAN, CCE,
President.

NATIONAL RESTAURANT ASSOCIATION,
Madison, WI, May 28, 1992.

Hon. ROBERT W. KASTEN, Jr.,
U.S. Senate, Washington, DC.

DEAR SENATOR KASTEN: The 6,000 members of the Wisconsin Restaurant Association have long supported the concept of balancing the federal budget. However, we are alarmed by Senator Simon's efforts to pass a balanced budget amendment, S.J. Res. 18. It is obvious that if such an amendment were passed with the present make-up of Congress, the budget would undoubtedly be balanced through increased taxes. Small business and their employees are already burdened by overly oppressive state and federal taxes.

The Senator Kasten approach embodied in S.J. Resolution 182 answers the concerns of the members and employees of the Wisconsin Restaurant Association. It makes it more difficult to increase taxes as a means of balancing the budget and encourages spending restraint as the main vehicle. Senator Kasten we applaud you once again for bringing reason into the political process.

If a balanced budget amendment were ratified without encouraging spending restraint the public (which supports balancing the federal budget) would feel betrayed as they saw their taxes escalate out of sight at all levels of government as a result.

Thank you very much for taking a lead on this issue.

Sincerely,

ED LUMP,
Executive Vice President.

FOX CITIES, CHAMBER OF
COMMERCE & INDUSTRY,
Appleton, WI, May 27, 1992.

Hon. ROBERT W. KASTEN, Jr.,
U.S. Senate, Washington, DC.

DEAR SENATOR KASTEN: Please find attached a copy of the position statement adopted by the Fox Cities Chamber of Commerce and Industry at their May 27th Board meeting.

Time and time again, Congress has demonstrated an inability to come to terms with either living within their (our) means on an annual basis or effectively reducing the national debt.

As unappealing as a Constitutional Amendment mandating fiscal responsibility may seem initially, it is quite evident that there is no real alternative.

The Chamber supports S.J. Res. 192, a Balanced Budget/Tax Limitation Amendment and encourages you to continue your efforts in this regard.

Warmest regards,

WILLIAM J. WELCH,
President.

BALANCED FEDERAL BUDGET AMENDMENT
THE PROBLEM

The Federal Government spends more than it "earns." That is not only possible, it may be necessary in times of extraordinary national need. However, it must not, indeed it can not, continue indefinitely.

The U.S. economy is being ravaged by interest payments on a national debt that consume 25 cents on the dollar. Without changes in fiscal and regulatory policies, there is little chance that this cataclysmic trend can be reversed. As a result of mistaken economic policies during the 18 months prior to the onset of the recession, the U.S. Chamber of Commerce projected that the average "costs" per month of continuing current economic policies between now and the end of 1992 would be:

Increased Unemployment Rate, 0.1 percent.
Rise in Budget Deficit, \$5 billion.
Number of Jobs Lost, 170,000.
Decline in Family Income, \$204.
Lost Output, \$15 billion.
People Added to Poverty, 225,000.

The United States is in the throws of the worst three-year economic period encompassing a recession since the 1930's with consumer confidence at an 18-year low.

Despite the record tax increase and promised spending restraint of the 1990 "deficit reduction" agreement, the federal deficit will reach a record \$400 billion in the current fiscal year. Entitlement and other mandatory spending continue to grow uncontrolled and now account for over half of the total budget.

THE POSITION

The answer is not increased taxation. The federal government has demonstrated its inability to control spending by spending \$1.50 for every new tax dollar collected. The answer is clearly on the expenditure side of the ledger, therefore,

The Fox Cities Chamber of Commerce & Industry supports S.J. Res. 192, a Balanced Budget/Tax Limitation Amendment which would require a supermajority vote (three-fifths) of both Houses of Congress in order for outlays to exceed receipts. The same supermajority vote would be required for tax revenues to grow at a rate greater than the rate of growth in national income.

The Fox Cities Chamber's endorsement of S.J. Res. 192 is made with the understanding that the federal government will not attempt to circumvent the resolution's intent by either increasing government regulation as a substitute for increasing taxation or by moving selected items "off budget." This country's future and that of our children depends on Congress' swift enactment of this vital piece of legislation.

INDEPENDENT BUSINESS ASSOCIATION
OF WISCONSIN,
Madison, WI, May 19, 1992.

Hon. ROBERT W. KASTEN, Jr.,
U.S. Senate, Hart Senate Office Building,
Washington, DC.

DEAR SENATOR KASTEN: The Independent Business Association of Wisconsin supports your efforts to cure what we consider to be the largest problem ever faced by our great nation—the annual Federal Government deficits which are growing at an alarming rate. Your proposed Balanced Budget/Tax Limitation Amendment is an outstanding measure to address the issue.

The current budget is over \$1.4 trillion, and \$400 billion, or 29%, will be financed with borrowing. This deficit, added to our previous borrowings, will mean the United

States of America will have a national debt approaching \$4 trillion. This is outrageous, however, it doesn't tell the whole story.

This year gross interest on the national debt will, for the first time, exceed the amount spent on Social Security benefits. Next year gross interest will be higher than the defense budget. Annual deficits will only get larger because of interest costs. Furthermore, in the next five years, entitlement programs are projected to grow by 8.1% annually for a five year cumulative increase of \$800 billion. As a result, the share of the Federal budget consumed by direct payments to individuals—Social Security, Medicare, Federal and Veterans pensions, etc., will increase from 49% to over 60% in 1997. Consequently, larger entitlement expenses and greater interest costs will increase the annual deficit to \$700 or \$800 billion by the end of the decade. As you correctly point out, we can't let this happen or we're going to destroy this nation. We simply won't be able to continue borrowing money as the rest of the world will lose confidence in our ability to control financial affairs.

During my recent trip to Washington, I was pleased to learn many of your colleagues also believe we need a balanced budget amendment. Between the two balanced budget proposals being offered for consideration, yours has the most merit because it has real teeth. It would require a three-fifths super majority of Congress to deficit spend as would the other proposal. But yours also requires a three-fifths vote to increase taxes above the rate of economic growth. In short, your proposal addresses the real problem—spending.

We join your 21 Senate co-sponsors and your broad-based coalition of small business, farm and taxpayer organizations in support of S.J. Res. 182. We independent business people must run our businesses on a prudent fiscal basis, so we encourage your efforts to bring sense back to Federal Government spending.

Since the Balanced Budget/Tax Limitation Amendment will take time to enact, we applaud your other efforts to slow spending. Using savings from reductions in defense spending to reduce total government expenditures, adopting an across-the-board budget freeze on domestic and international discretionary spending, and granting the President line item veto authority all make eminent sense. We encourage you to continue pursuing these items.

Senator Kasten, thank you for your tireless efforts to resolve the greatest of problems. We independent business people know that controlling government spending will allow us to remain competitive, not only in this country but in others as well.

Sincerely,

WILLIAM N. GODFREY,
President.

WISCONSIN BUILDERS ASSOCIATION,
Madison, WI, May 20, 1992.
Hon. ROBERT KASTEN,
U.S. Senate, Hart Senate Office Building,
Washington, DC.

DEAR SENATOR KASTEN: On behalf of the 4600 member firms of the Wisconsin Builders Association, we are writing to express our strong support for Senate Joint Resolution 182, the Balanced Budget/Tax Limitation Amendment.

WBA members feel that this type of fundamental action is long overdue and critical to the long-term economic health of our nation. Constitutional constraints may be the only realistic way to rein in the runaway

federal spending that leads to annual massive budget deficits.

In particular, we support the provisions in S.J. Res. 182 that would require a three-fifths "supermajority" to deficit spend and raise taxes in excess of the level of economic growth. Our members agree that this element is needed to prevent future budget balancing on the backs of the taxpayers.

We applaud your introduction of Senate Joint Resolution 182 and we are hopeful that Congress will act quickly to adopt this important proposal.

Sincerely,

STEPHEN J. SCHOEN,
WBA President.

GERALD J. DIEMER,
WBA Executive Vice-
President.

[EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET]

A BALANCED BUDGET CONSTITUTIONAL
AMENDMENT

(TESTIMONY PRESENTED TO THE HOUSE
COMMITTEE ON THE BUDGET BY RICH-
ARD DARMAN, DIRECTOR, OFFICE OF
MANAGEMENT AND BUDGET, MAY 6,
1992)

THE SOLUTION

In order to reduce the deficit and balance the budget, three basic elements are essential. They comprise a set—in that the elements reinforce each other:

(1) The Congress should enact the President's Comprehensive Agenda for Growth. This was proposed in January, and still awaits Congressional action. (The agenda is summarized at chart 7 on the following page. The favorable effects of growth are displayed on charts 3-6.)

(2) The Congress should enact a balanced budget constitutional amendment. Such an amendment should require a supermajority vote for any tax increase—in order to prevent counterproductive action from the standpoint of economic growth.

(3) The Congress should enact some variation of the President's proposed cap on the growth of mandatory programs. Because this is a fundamentally important point that is not yet widely appreciated, it is discussed at length in the pages that follow.

CITIZENS FOR A
SOUND ECONOMY,

Washington, DC, September 3, 1991.

Hon. ROBERT KASTEN, Jr.,
U.S. Senate, Hart Senate Office Building,
Washington, DC.

DEAR SENATOR KASTEN: On behalf of the 250,000 members of Citizens for a Sound Economy (CSE), I am writing to thank you for your sponsorship of S.J. Res. 182, the Balanced Budget/Tax Limitation Amendment legislation.

We applaud your efforts because S.J. Res. 182 requires a three-fifths super-majority vote to authorize a deficit. Even more importantly, it requires that Congress muster an equivalent super-majority to increase federal receipts at a rate faster than growth in national income. If this proposal becomes law, Congress will find it harder to use higher taxes to balance the budget.

The Balanced Budget/Tax Limitation Amendment recognizes the record-high tax burden in the United States. This year Tax Freedom Day, the date on which the average American stops working to pay taxes and starts working for himself, fell on May 8, the latest date in American history. The tax limitation component of this legislation limits

Congress' ability to push Tax Freedom Day to an even later date next year.

CSE hopes Congress passes a balanced budget amendment with strong tax limitation provisions, and we look forward to working with you to make that dream a reality.

Sincerely,

PAUL BECKNER,
President.

NATIONAL FEDERATION OF
INDEPENDENT BUSINESS,

May 5, 1992.

The PRESIDENT,

The White House, Washington, DC.

DEAR MR. PRESIDENT: I understand that your Administration will soon be testifying on the issue of attaching a balanced budget amendment to the Constitution. I wanted to let you know how the small business community views this issue.

In April, the National Federation of Independent Business (NFIB) conducted an informal poll of our membership on the balanced budget amendment issue. They strongly support a balanced budget amendment which includes tax limitation language. Small business owners are very concerned that without the Kasten/Barton tax limitation language, Congress will balance the budget on the backs of small businesses. It is important that your Administration take a position in strong support of the Kasten/Barton tax limitation language.

Over the last decade, NFIB members have repeatedly expressed their concern over the inability of the federal government to live within its means. Their concern over the budget deficit was made extremely clear during a poll we did in January of this year. When NFIB members were asked whether Congress should cut taxes or focus on reducing the deficit, 72% responded that Congress should focus on reducing the deficit.

The federal deficit is severely impairing our competitiveness and limiting our ability to respond to economic downturns. In prior recessions, the federal government has been able to boost its spending to soften the blow of a recession. Unfortunately, it is hard to boost spending when we are already spending \$400 billion more than we have.

Purely legislative attempts to curb federal spending have failed miserably. The federal deficit has continued to skyrocket. Interest payments on the national debt now exceed what we pay for national defense.

The federal deficit is not a result of too little taxation. The deficit is a result of federal spending that is out of control. Tax limitation language forces both Congress and the Administration to make the tough spending choices that have been repeatedly put off for the last decade.

I urge you to strongly support the Kasten/Barton version of the balanced budget amendment.

Sincerely,

S. JACKSON FARIS,
President and CEO.

AMERICANS FOR TAX REFORM,

Washington, DC, May 13, 1992.

Hon. BOB KASTEN,
U.S. Senate, Washington, DC.

DEAR SENATOR KASTEN: The Senate will soon vote on the proposed balanced budget amendment to the United States Constitution.

The proposal offered by Senator Paul Simon (D-IL) contains no provision for spending limitation and has no strong, supermajority tax limitation element.

In the May 13 Washington Post, Congressman Charlie Stenholm (D-TX), the principal sponsor of the House companion to the Simon bill, is quoted proposing as the mechanism for bringing the budget into balance a \$1 tax increase for every \$2 dollars of spending reductions.

Without accounting for the anti-growth elements of this approach, Stenholm is proposing a \$150 billion tax increase. This would be a violation of the Taxpayer Protection Pledge you make to the people of your state and to all American taxpayers.

In fact, the Simon-Stenholm approach to a balanced budget amendment is a vital guarantor of regular tax increases on the American people—all of which would violate your pledge.

I strongly urge you to oppose the Simon-Stenholm approach and to support, instead, the Kasten approach which includes strong tax limitation and which fits within the parameters of the Taxpayer Protection Pledge.

I strongly urge you to vote for and to co-sponsor the Kasten amendment.

Sincerely,

GROVER NORQUIST.

CHAMBER OF COMMERCE OF THE
UNITED STATES OF AMERICA,

Washington, DC, May 15, 1992.

Hon. ROBERT KASTEN, Jr.,
U.S. Senate, Washington, DC.

DEAR BOB: On May 13, it was reported widely in the press that some supporters of Senator Paul Simon's balanced budget proposal (S.J. Res. 18) are seriously considering an automatic enforcement provision that would require \$1 in new tax increases for every \$2 in spending cuts to reduce the deficit. Some Members are promoting a variation of this idea that would provide for a 50-50 mix of spending cuts and tax increases.

Employing optimistic growth assumptions, the Congressional Budget Office estimates that the federal budget deficit will average \$288 billion annually between 1992 and 2002. Assuming an average annual deficit of \$300 billion and a five-year cumulative deficit of \$1.5 trillion, the enforcement proposals suggested above would guarantee a 5-year tax increase between \$500 billion (\$1,500 billion X .333) and \$750 billion (\$1,500 billion X .5). A tax increase of this magnitude would dwarf the \$160 billion tax increase of 1990, which was the largest ever, and would crush the economy.

The Chamber opposes any enforcement provision that would automatically produce a tax increase.

In light of these recent developments, I wanted to share the enclosed information with you. Enclosed are the results of the "Where I Stand Poll," by Nation's Business Magazine. This poll is not like many radio and television polls which are based on the responses of a few hundred participants. These "Where I Stand" results represent the opinions of 3,795 small business respondents to a nationwide poll. If you are interested in what small business thinks about balanced budget amendments and tax limitation proposals, this poll is revealing. By more than two to one, small business respondents do not favor a balanced budget amendment without strong tax limitation.

The results of the poll are unambiguous. The small business community respondents favor a balanced budget amendment only if it is coupled with a strong tax/spending limitation provision. Otherwise, they fear a balanced budget amendment means automatic tax increases. Talk of up to \$750 billion of tax increases in connection with the bal-

anced budget amendment heightens this fear among small business people and tends to confirm their belief that Congress will not make the difficult spending choices unless constrained to do so by the Constitution itself. On behalf of the 195,000 members of the U.S. Chamber of Commerce Federation, we strongly urge you to support a balanced budget amendment that includes tax or spending limitations rather than using the growing support for a balanced budget amendment as an excuse to raise taxes once again.

Sincerely,

RICHARD L. LESHNER.

MAY "WHERE I STAND" POLL BY NATION'S BUSINESS ON A BALANCED BUDGET

1. Should the U.S. Constitution be amended to require the president and Congress to balance the annual federal budget?

Yes, 96%.
No, 2%. Undecided, 2%

2. If you answered "yes" to No. 1, do you think the budget should be balanced primarily by spending restraint, tax increases, or both?

Spending restraint, 81%.
Tax increase, 14%.
Both, 18%.

3. Should a balanced-budget amendment include a strong limit (such as a requirement for a 60 percent majority vote of both houses of Congress) on Congress' ability to raise taxes?

Yes, 91%.
No, 6%.
Undecided, 3%

4. Would you favor a balanced budget amendment that does not include a strong limit on Congress' ability to raise taxes?

Yes, 19%.
No, 70%.
Undecided, 11%.

Company size:
1 to 10, 34%.
11 to 25, 23%.
26 to 99, 24%.
100 to 249, 9%.
250 to 499, 3%.
500 plus, 7%.

Based on 3,795 respondents.

Note: The results of the Where I Stand poll reflect only the opinions of the respondents and do not necessarily reflect the policy of the U.S. Chamber of Commerce.

COUNCIL FOR CITIZENS
AGAINST GOVERNMENT WASTE,
Washington, DC, June 29, 1992.

DEAR SENATOR: I am writing in reference to balanced budget amendment proposals which will be taken up in the Senate this week.

CCAGW strongly urges your support of S.J. Res. 182, the Balanced Budget Tax Limitation amendment, which has been introduced by Senator Robert W. Kasten (R-WI). Senator Kasten intends to offer this legislation as an amendment to the Nickles balanced budget amendment on Tuesday, June 30.

S.J. Res. 182 requires Congress to balance the federal budget and impose a 3/5 supermajority vote in both chambers before a tax increase can be approved. CCAGW strongly supports this essential tax limitation provision as the only means to achieve a balanced budget while protecting taxpayer pocket-books.

Adoption of a balanced budget amendment without a tax limitation provision will do

nothing to address the nation's most crucial problem of wasteful government spending, and will only give Congress one more excuse to raise the already staggering level of taxation in this country.

Your support of the Kasten Balanced Budget/Tax Limitation Amendment will prove your commitment not only to balancing the federal budget but also protecting the American taxpayers.

Vote YES on the Kasten Balanced Budget/Tax Limitation Amendment. CCAGW will record this vote as a key anti-waste vote for the 102nd Congress.

Sincerely,

THOMAS A. SCHATZ,
Acting President.

CONGRESSIONAL RESEARCH SERVICE,
Washington, DC, May 11, 1992.
MEMORANDUM

To: Honorable Robert W. Kasten, Jr., Attention: Michael Potemra.

From: Louis Alan Talley, Research Analyst in Taxation, Economics Division.

Subject: Listing of Tax Laws Which Increased Revenues from 1962 to the Present.

The listing of tax laws is in response to your request for a listing of tax laws which increases revenues from 1962 to the present. The listing of tax laws with public law numbers follows:

Tax Rate Extension Act of 1962, P.L. 87-508. Prevents scheduled reductions—Revenue Increase.

Tax Rate Extension Act of 1963, P.L. 88-52. Prevents scheduled reductions—Revenue Increase.

Excise Tax Rate Extension Act of 1964, P.L. 88-348. Continued Korean War excise taxes an additional year—Revenue Increase.

Interest Equalization Tax Act, P.L. 88-563. Revenue Increase.

Interest Equalization Tax Extension Act of 1965, P.L. 89-243. Prevents scheduled expiration—Revenues Increase.

Tax Adjustment Act of 1966, P.L. 89-368. Revenue Increase.

Excise Taxes on Tires and Tubes, P.L. 89-523. Revenue Increase.

Interest on Income Tax Refunds, P.L. 89-721. Revenue Increase.

Investment Credit Suspension, P.L. 89-800. Revenue Increase.

Interest Equalization Tax Extension Act of 1967, P.L. 90-59. Revenue Increase.

Revenue and Expenditure Control Act of 1968, P.L. 90-364. Revenue Increase.

Federal Unemployment Tax; Employment Security Administration Account; Income Tax Surcharge, P.L. 91-53. Revenue Increase.

Interest Equalization Tax Extension Act of 1969, P.L. 91-128. Revenue Increase.

Tax Reform Act of 1969, P.L. 91-172. Revenue Increase.

Airport and Airway Revenue Act of 1970, P.L. 91-258. Revenue Increase.

Excise Tax Rate Extension, P.L. 91-605. Revenue Increase.

Excise, Estate, & Gift Tax Adjustment Act of 1970, P.L. 91-614. Revenue Increase.

Interest Equalization Tax Extension Act of 1971, P.L. 92-9. Revenue Increase.

Bows and Arrows; Tax on Sales, P.L. 92-558. Revenue Increase.

Interest Equalization Tax Extension Act of 1973, P.L. 93-17. Revenue Increase.

Amortization Extension; Accrued Vacation Pay; Class Life System for Realty; Real Es-

tate Investment Trusts; Interest on Tax Deficiencies; Student Loan Funding; Exclusion of Interest by Non-Resident Aliens; Interest Equalization Tax; Tax Treatment of Political Organizations, P.L. 93-625. Revenue Increase.

Excise Tax Reductions; Postponement, P.L. 94-280. Revenue Increase.

Unemployment Compensation Amendments of 1976, P.L. 94-566. Revenue Increase.

Tax Treatment of Social Clubs and Other Membership Corporations; Tax Incentives for Recycling, P.L. 94-568. Revenue Increase.

Inland Waterways Revenue Act of 1978; Taxation of Proceeds from Bingo Games, P.L. 95-502. Revenue Increase for Inland Waterway Revenue Effect. Revenue Decrease for Bingo Effect. Overall effect is an increase in revenues.

Highway Revenue Act of 1978, P.L. 95-599. Revenue Increase.

Revenue Act of 1978, P.L. 95-600. Revenue Increase.

Crude Oil Windfall Profit Tax Act of 1980, P.L. 96-223. Revenue Increase.

Deep Seabed Hard Mineral Resources Act, P.L. 96-283. Revenue Increase.

Airport and Airway Trust Fund, P.L. 96-298. Revenue Increase.

Omnibus Reconciliation Act of 1980, P.L. 96-499. Revenue Increase.

Omnibus Budget Reconciliation Act of 1981, P.L. 97-35. Revenue Increase.

Black Lung Benefits Revenue Act of 1981, P.L. 97-119. Revenue Increase.

Tax Equity and Fiscal Responsibility Act of 1982, P.L. 97-248. Revenue Increase.

Debt Collection Act of 1982, P.L. 97-365. Revenue Increase.

Surface Transportation Assistance Act of 1982, P.L. 97-424. Revenue Increase.

Payment-in-Kind Tax Treatment Act of 1983, P.L. 98-4. Revenue Loss in first two FYs estimated at \$404 million. Revenue Increase in third FY estimated at \$404 million.

Railroad Retirement Solvency Act of 1983, P.L. 98-76. Revenue Increase.

Deficit Reduction Act of 1984, P.L. 98-369. Revenue Increase.

Repeal of Contemporaneous Record-keeping, P.L. 99-44. Revenue Loss of \$150 million in FY 1985. Revenue Increase of \$270 million in FYs 1986-1990.

Simplification of Imputed Interest Rules, P.L. 99-121. Revenue Loss of \$97 million in FYs 1986 & 1987. Revenue Increase of \$144 million in FYs 1988-1990.

Comprehensive Omnibus Budget Reconciliation Act of 1986, P.L. 99-272. Revenue Increase.

Superfund Amendments and Reauthorization Act of 1986, P.L. 99-499. Revenue Increase.

Tax Reform Act of 1986, P.L. 99-514. After an initial revenue increase the overall effect is a revenue loss.

Omnibus Budget Reconciliation Act of 1987, P.L. 100-203. Revenue Increase.

Technical Corrections and Miscellaneous Revenue Act of 1988, P.L. 100-647. Revenue Increase in 1989 & 1991 of \$421 million. Revenue Loss in 1990 of \$414 million.

Omnibus Budget Reconciliation Act of 1989, P.L. 101-239. Revenue Increase.

Revenue Reconciliation Act of 1990, P.L. 101-508. Revenue Increase.

Tax Extension Act of 1991, P.L. 102-227. Revenue Neutral.

TABLE 2.A2.—SCHEDULED CONTRIBUTION RATES, 1935–2000 AND THEREAFTER

Act and effective year	Contribution rate (percent)							
	Employer and employee, each				Self-employed person			
	Total	OASI	DI	HI	Total	OASI	DI	HI
1935 Act:								
1937	1.0							
1940	1.5							
1943	2.0							
1946	2.5							
1949	3.0							
1939–47 Act:								
1940	1.0	1.0						
1950	1.5	1.5						
1952	2.0	2.0						
1950 Act:								
1951	1.5	1.5			2.25	2.25		
1954	2.0	2.0			3.0	3.0		
1960	2.5	2.5			3.75	3.75		
1965	3.0	3.0			4.5	4.5		
1970	3.25	3.25			4.875	4.875		
1954 Act:								
1970	3.5	3.5			5.25	5.25		
1975	4.0	4.0			6.0	6.0		
1956 Act:								
1957	2.25	2.0	0.25		3.375	3.0	0.375	
1960	2.75	2.5	.25		4.125	3.75	.375	
1965	3.25	3.0	.25		4.875	4.5	.375	
1970	3.75	3.5	.25		5.625	5.25	.375	
1975	4.25	4.0	.25		6.375	6.0	.375	
1958 Act:								
1959	2.5	2.25	.25		3.75	3.375	.375	
1960	3.0	2.75	.25		4.5	4.125	.375	
1963	3.5	3.25	.25		5.25	4.875	.375	
1966	4.0	3.75	.25		6.0	5.625	.375	
1969	4.5	4.25	.25		6.75	6.375	.375	
1961 Act:								
1962	3.125	2.875	.25		4.7	4.325	.375	
1963	3.625	3.375	.25		5.4	5.025	.375	
1966	4.125	3.875	.25		6.2	5.825	.375	
1968	4.625	4.375	.25		6.9	6.525	.375	
1965 Act:								
1966	4.2	3.5	.35	0.35	6.15	5.275	.525	0.35
1967	4.4	3.55	.35	.5	6.4	5.375	.525	.5
1969	4.9	4.05	.35	.5	7.1	6.075	.525	.5
1973	5.4	4.5	.35	.55	7.55	6.475	.525	.55
1976	5.45	4.5	.35	.6	7.6	6.475	.525	.6
1980	5.55	4.5	.35	.7	7.7	6.475	.525	.7
1987	5.65	4.5	.35	.8	7.8	6.475	.525	.8
1967 Act:								
1968	4.4	3.325	.475	.6	6.4	5.0875	.7125	.6
1969	4.8	3.725	.475	.8	6.9	5.5875	.7125	.8
1971	5.2	4.125	.475	.6	7.5	6.1875	.7125	.6
1973	5.65	4.525	.475	.65	7.65	6.2875	.7125	.65
1976	5.7	4.525	.475	.7	7.7	6.2875	.7125	.7
1980	5.8	4.525	.475	.8	7.8	6.2875	.7125	.8
1987	5.9	4.525	.475	.9	7.9	6.2875	.7125	.9
1969 Act:								
1970	4.8	3.65	0.55	0.6	6.9	5.475	0.825	0.6
1971	5.2	4.05	.55	.6	7.5	6.075	.825	.6
1973	5.65	4.45	.55	.65	7.65	6.175	.825	.65
1976	5.7	4.45	.55	.7	7.7	6.175	.825	.7
1980	5.8	4.45	.55	.8	7.8	6.175	.825	.8
1987	5.9	4.45	.55	.9	7.9	6.175	.825	.9
1971 Act:								
1976	5.85	4.6	.55	.7	7.7	6.175	.825	.7
1980	5.95	4.6	.55	.8	7.8	6.175	.825	.8
1987	6.05	4.6	.55	.9	7.9	6.175	.825	.9
1972a Act:								
1973	5.5	4.1	.5	.9	7.3	6.15	.75	.9
1978	5.5	3.95	.55	1.0	7.7	5.875	.825	1.0
1986	5.6	3.95	.55	1.1	7.8	5.875	.825	1.1
1993	5.7	3.95	.55	1.2	7.9	5.875	.825	1.2
2011	6.55	4.65	.7	1.2	8.2	6.085	.915	1.2
1972b Act:								
1973	5.85	4.3	.55	1.0	8.0	6.205	.795	1.0
1978	6.05	4.225	.575	1.25	8.25	6.16	.84	1.25
1981	6.15	4.225	.575	1.35	8.35	6.16	.84	1.35
1986	6.25	4.235	.575	1.45	8.45	6.16	.84	1.45
2011	7.3	5.1	.75	1.45	8.45	6.105	.895	1.45
1973b Act:								
1974	5.85	4.375	.575	.9	7.9	6.185	.815	.9
1978	6.05	4.35	.6	1.1	8.1	6.15	.85	1.1
1981	6.30	4.3	.65	1.35	8.35	6.08	.92	1.35
1986	6.45	4.25	.7	1.5	8.5	6.01	.99	1.5
2011	7.45	5.1	.85	1.5	8.5	6.0	1.0	1.5
1977 Act:								
1978	6.05	4.275	.775	1.0	8.1	6.01	1.09	1.0
1979	6.13	4.33	.75	1.05	8.1	6.01	1.04	1.05
1981	6.65	4.525	.825	1.3	9.3	6.7625	1.2375	1.3
1982	6.7	4.575	.825	1.3	9.35	6.8125	1.2375	1.3
1985	7.05	4.75	.95	1.35	9.9	7.125	1.425	1.35
1986	7.15	4.75	.95	1.45	10.0	7.125	1.425	1.45
1990	7.65	5.1	1.1	1.45	10.75	7.65	1.65	1.45
1980 Act:								
1980	6.13	4.52	.56	1.05	8.1	6.2725	.7775	1.05
1981	6.65	4.7	.65	1.3	9.3	7.025	.975	1.3
1982	6.7	4.575	.825	1.3	9.35	6.9125	1.2375	1.3
1985	7.05	4.75	.95	1.35	9.9	7.125	1.425	1.35
1986	7.15	4.75	.95	1.45	10.0	7.125	1.425	1.45
1990	7.65	5.1	1.1	1.45	10.75	7.65	1.65	1.45
1983 Act:								
1983	6.7	4.775	.625	1.3	9.35	7.1125	.9375	1.3
1985	7.0	5.2	.5	1.3	10.4	10.4	1.0	2.6
1985	7.05	5.2	.5	1.35	10.5	10.5	1.0	2.7
1986	7.15	6.2	.5	1.45	11.43	10.4	1.0	2.9
1988	7.51	5.53	.53	1.45	11.02	11.06	1.06	2.9
1990	7.65	5.6	.6	1.45	11.3	11.2	1.2	2.9

TABLE 2.A2.—SCHEDULED CONTRIBUTION RATES, 1935–2000 AND THEREAFTER—Continued

Act and effective year	Contribution rate (percent)							
	Employer and employee, each				Self-employed person			
	Total	OASI	DI	HI	Total	OASI	DI	HI
2000	7.65	5.49	.71	1.45	15.3	10.98	1.42	2.9

¹Includes tax credit, see table 2.A4.

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. ADAMS. Mr. President, as the vote in the House showed, the more closely you examine proposals to amend the Constitution to require a balanced budget, the worse they look.

I certainly understand and share the American people's frustration with the inability of the Congress and the administration to bring our budget process under some kind of fiscal control. A balanced budget constitutional amendment, however, is the wrong medicine. Instead, we need to overhaul our budget process to more accurately reflect the importance of capital and infrastructure investment. We need to move from our current cash budget—under which Congress appropriates money on a yearly basis—to a system that focuses on a longer time frame.

I have joined Senator SANFORD in calling for a budget that is divided into three distinct areas: the retirement trust funds, the operating account, and the capital account, including debt and interest. By separating annual operating costs and retirement trust funds from investment decisions, this system would put the Federal Government on the same budgetary footing as most States and private businesses.

The most important economic problem facing the Nation is not, as proponents of the balanced budget would have us believe, mechanically balancing the budget. We can do that now through budget reforms. Or we can do it now by passing a "Doomsday" budget. The most critical economic problem we face is getting the American economy moving again and putting Americans back to work.

This view is strongly expressed in the recent GAO report, entitled "Prompt Action Necessary To Avert Long-Term Damage to the Economy." Many of our colleagues have referred to this report in arguing for a balanced budget amendment. But the bottom line of the report, as I read it, is summed up in this sentence: "Because deficit control alone will not secure adequate economic growth, more emphasis needs to be placed on federal investment in infrastructure, human capital, and research and development."

This is also a compelling argument for the creation of a capital budget, where borrowing is tied to investment

rather than consumption. This is how States handle their balanced budget requirements, and it is how American business budgets for future growth and a return on investment.

A more rational and practical budget would separate current operating costs from past obligations and from future investment. To protect social security and retirement funds, we need to separate these accounts from our operating budget and from our deficit calculations. These accounts are self-financing and represent future expenditures. To restore growth to our economy, we need to budget for long-term investment in infrastructure, education and training, and research and development. The best way to achieve such investment is through a capital account. These budgetary reforms will make possible the balancing of our annual operating account on a cash basis, using our present income tax system and other Government revenues.

We should not make it more difficult for Congress to raise the debt ceiling. We should not give a congressional minority the power to decide when deficit spending is prudent. And we should not require a "super majority" before Congress can raise taxes.

Some say that the American public is clamoring for a balanced budget. I think it is important that our citizens understand what balancing the budget under the present circumstances would entail. It would mean painful changes for most of the population, especially the middle class. The Congressional Budget Office has drawn up a number of revenue raising and spending reducing options that are illustrative. For example, agricultural subsidies, loans and price supports would be on the table. Changes in these programs could save as much as \$32 billion over the next 5 years. Other entitlement programs, such as Medicare and Social Security, would come under review. Even small changes in premiums, deductible amounts, cost-of-living-adjustments, and taxation of benefits would save the Federal Government more than \$400 billion through 1997.

We would also examine the costs borne by the Federal Government in highway maintenance, provision of hydroelectric power, rural electrification, subsidization of private use of public lands, and maintenance of our airspaces and inland waterways. We would examine the role the Government plays in ensuring the safety of our food, medicine, transportation, and waste disposal and cleanup. Many of these serv-

ices could be financed, in whole or in part, by the imposition of user fees or the elimination of government subsidy.

It has been estimated that the imposition of a congestion toll during peak commuting hours nationwide could provide a \$5 billion benefit each year. Assessing a charge on trucks based on distance traveled and weight per axle would yield an additional \$5 billion per year. These fees would raise additional revenues for highway repair at the same time that they would encourage people to travel off-peak where possible, thus reducing wear and tear on the highway system.

These kinds of spending cuts and revenue increases would form a "Doomsday" budget, if we maintain the present cash system and insist on balancing the budget by constitutional amendment. Some of these changes would affect future expenditures, such as social security. Some would affect capital investment, such as highway maintenance. Some would affect present operating costs. Under the current system, all of these expenditures are treated the same.

The American people need better information on the services and programs the Government provides, so that they will know what kind of trade-offs will be necessary to balance the budget under the current system. It simply is hypocritical for individuals or organizations to push for a balanced budget with one hand while asking for full funding for their programs with the other, as has been pointed out on the Senate floor.

A balanced budget will not be easy. It will require sacrifices from our entire society. But it should not be attempted without prior budget reform. We need a logical system that balances future versus present spending.

We need to make some serious decisions now about spending, about revenues, about health care, about long-term investments. We need to review the role of the Federal Government and the role of the States in providing services and collecting taxes and user fees. We need to know the real costs of the range of services the Government provides, and to decide how to pay for them.

Approval of a balanced budget amendment would not only delay these decisions by throwing the issue to the States for ratification; it should also hamstring the congressional process at the very time that these hard and politically unpopular decisions must be made. It is a formula for disaster. I

urge my colleagues to follow the lead of the House and defeat all efforts to amend the Constitution to require a balanced budget.

Mr. KOHL. Mr. President, I support the balanced budget amendment. I see it as a rational response to a persistently irrational Federal deficit. It is not a perfect solution—it has flaws and it has weaknesses. But the issue in my mind is not whether this is a perfect policy. The issue is whether this is a better policy than the one we have now. And the answer to that question, in my judgment, is a clear and convincing "yes."

But, Mr. President, I also believe that amending the Constitution is a serious act. After all, the Constitution has served us well for over 200 years. It has been able to serve us through two centuries because it was not designed to dictate a detailed description of the way our Government should operate. Rather it was developed to give us guidance about some basic precepts, to establish some basic structures, to identify some basic values.

Given my interest in remaining true to the fundamental nature of the Constitution, I approach the pending Kasten amendment with a great deal of skepticism.

I want to see this enterprise which we call Government operate with a balanced budget. If it takes a constitutional amendment to achieve that goal—and it appears it does—then so be it. But the amendment ought to be consistent with the general nature of constitutional language. The amendment should tell us what goal we want to achieve. It should not dictate to us the way in which we will achieve that goal. That means, in my view, that a balanced budget amendment ought to require a balanced budget. Nothing more. Nothing less. The nature of the budget and how we achieve balance should be determined by the Congress rather than the Constitution.

Now in my mind, the underlying constitutional amendment, developed by Senator SIMON and offered by Senator NICKLES, already infringes on this concept. In section 4 of the proposed constitutional amendment, the language requires a majority of the whole number of each House to pass any bill increasing revenues. That creates a policy presumption that favors one way to balance the budget, spending cuts, by making it more difficult to implement another, revenue increases. That comes very close to moving beyond goal setting and toward mechanism mandating. But it is, at worst, a close call. It does not unduly transform constitutional concepts into detailed dogma.

The pending Kasten amendment, however, does cross that line. It moves well beyond policy neutrality. By requiring a three-fifths vote before taxes can be increased, it uses the Constitution to tilt the machinery of Govern-

ment toward a given policy. And it is, for that reason, unacceptable.

The Kasten amendment would impose, through the Constitution, a voting procedure for revenue raising legislation different from, and more stringent than, the procedure in place for other ways of balancing the budget, like reducing spending.

In most cases, the Constitution uses special voting procedures—more specifically, requirements of two-thirds majority votes—for matters that define the separation of powers between Congress and the President. There is, for example, a two-thirds requirement for veto overrides, impeachment convictions by the Senate, constitutional amendments, and Senate approval of treaties.

An amendment requiring a supermajority to pass tax increases, however, does not define a relationship central to the separation of powers. Such an amendment would simply write into the Constitution our current distaste for raising revenues.

Personally, I tend to agree with the underlying policy presumption of the amendment: Congress is too quick to raise taxes and too slow to cut spending. I also agree with a number of other policy propositions: that Congress spends too much on the military, that we ought to have gun control laws, that funding for the arts should be maintained. But I would not dream of proposing a constitutional amendment to require that any law inconsistent with my position would have to be passed by a three-fifths vote. Yet that is precisely what the Kasten amendment does.

The Constitution sets in stone the fundamental principles of Government; the Congress and the President operate within those principles to set the policies that govern the day-to-day relationship between the U.S. Government and its citizens. The debate over revenue-rising versus sending cuts is a policy debate over how we ought to operate on a day-to-day basis. If we try to resolve that debate in the Constitution, we unfairly limit the ability of future generations to make basic decisions about fiscal policy. We would also be formalizing a misunderstanding of the Constitution's role in our system of Government.

In short, Mr. President, I oppose the Kasten amendment because I oppose efforts to pervert the Constitution, to subvert the basic nature of that document in order to achieve specific policy goals no matter how noble those specific goals may be.

I favor the principle set forth in Senate Joint Resolution 183, and, for that reason, I raise these several questions. Our persistent deficits are a fundamental enough problem to demand an amendment to the Constitution. But they do not warrant a hastily drawn or unworkable amendment to the Constitution.

There is a second problem I want to discuss very briefly. I am deeply concerned about the fact that the Senate is considering a constitutional amendment on a "normal" legislative vehicle. The precedents may allow someone to use that procedure. But if they do, they ought to be changed. If we don't require constitutional amendments to go through committee review and be scheduled by the majority leader before they can come to the floor, I fear we will face a flood of amendments. Every time the Court issues an opinion someone doesn't like, a constitutional amendment will be brought to the floor. Every time a pressure group builds up enough steam, someone will bring a constitutional amendment to the floor. Every time we have a Member with some cause to which he or she is committed, a constitutional amendment can be brought to the floor.

Mr. President, the Constitution has survived because we have not changed it all that much. It is a constant, a lodestar in the constellations of governments which come and go. We ought to revere it, not constantly revise it.

I was briefly tempted to vote against the underlying amendment as a way of expressing my concern about this issue. In the end, however, I concluded that this particular amendment was considered in committee, it would have been scheduled if the House had not acted on it first, it is worth supporting. But I am worried about the precedent. And I do want to work with my colleagues to prevent a further erosion of the process of amending the Constitution.

So, Mr. President, I am concerned about what we are doing here. I hope that our commitment to preserve and protect the Constitution will defend it from short sighted efforts to make it a prescriptive rather than a principled document. And I hope our oath of office will make us think long and hard about using a process to change the Constitution at the drop of a hat.

Those hopes can best be realized by defeating the Kasten amendment and then reviewing the Senate's procedure for dealing with such issues in the future.

Mr. HEFLIN. Mr. President, I rise today to express my support for a constitutional amendment requiring the Federal Government to achieve and maintain a balanced budget.

As an original cosponsor of Senator SIMON's amendment, I have repeatedly spoken on the Senate floor this Congress in favor of both a balanced budget amendment to the U.S. Constitution, and the merits of this particular proposal. I have also attempted to persuade my colleagues to support this necessary and crucial initiative, which has strong bipartisan support.

Since I first came to the Senate in 1979, every Congress I have introduced legislation proposing a constitutional

amendment to balance the Federal budget, and I have dedicated myself to many years of work with my colleagues to adopt a resolution which would authorize the submission to the States for ratification of a constitutional amendment to require a balanced budget.

For much of our Nation's history, a balanced Federal budget was the status quo and part of our unwritten Constitution. For our first 100 years, this country carried a surplus budget, but in recent years this Nation's spending has gone out of control. Indeed, the fiscal irresponsibility demonstrated over the years has convinced me that constitutional discipline is the only way we can achieve the goal of reducing deficits.

As you know, in 1982, the Senate did pass, by more than the required two-thirds vote, a constitutional amendment calling for a balanced budget. There were 69 votes in favor of it at that time. It was sent to the House of Representatives, where, in the House Judiciary Committee it was bottled up. The chairman would not allow it to come up for a committee vote, in order that it might be reported to the floor of the House of Representatives.

In order to bring the measure up for a vote in the House of Representatives, it was necessary to file a discharge petition. This is a petition that has to be signed by more than a majority of the whole number of the House of Representatives, and then it is brought up and voted on without amendment. The Senate-passed amendment failed to obtain the necessary two-thirds vote that was required in the House of Representatives at that time.

In the 99th Congress, after extensive debate, passage of a balanced budget amendment by the Senate failed by 1 vote—but got 66 votes. Last Congress, I supported a measure which passed the Judiciary Committee, but it was never considered by the full Senate.

All the while, there has been considerable debate, various articles have been written in numerous publications, and editorials have appeared in countless newspapers. Many speeches have been made on the floor of the Senate, and I have made numerous speeches advocating the adoption of a constitutional amendment requiring a balanced budget.

Mr. President, I hope the time has come to finally adopt this long-overdue amendment and begin to move toward our goal of a balanced Federal budget.

Section 1 of the amendment requires a three-fifths vote of each House of Congress before the Federal Government can engage in deficit spending. A 60-percent vote in the Senate is a very difficult one to obtain. This requirement should establish the norm that spending will not exceed receipts in any fiscal year. If the Government is going to spend money, it should have the money on hand to pay its bills.

Section 2 of the amendment requires a three-fifths vote by both Houses of Congress to raise the national debt. In addition to the three-fifths vote, Congress must provide by law for an increase in public debt. As I understand it, this means presentment to the President, where the President has the right to veto or sign. If the President chose to veto the bill, it would be returned to Congress for action to possibly override the veto. It is also important to note that section 1, regarding the specific excess of outlays over receipts, contains this same requirement that Congress act by law.

Section 2 is important because it functions as an enforcement mechanism for the balanced budget amendment. While section 1 states outright that "total outlays * * * shall not exceed total receipts" without the three-fifths authorization by Congress, the judicial branch would lack the ability to order the legislative and executive branches to meet this obligation. Therefore, section 2 will require a three-fifths vote to increase the national debt. This provision will increase the pressure to comply with the directive of this proposed constitutional amendment.

In my judgment, section 2 puts teeth into the constitutional amendment. We have had many statutory enactments that say we are going to have a balanced budget. We have a procedure under this constitutional amendment that makes it more difficult to engage in deficit spending. This is a procedure by which, if there is an excess of outlays over receipts—and that means deficit spending during a fiscal year—we must approve that specific amount by a three-fifths vote of the whole membership of both Houses. That in and of itself is fine, but it is largely directory. It does not have an enforcement procedure. An enforcement procedure is provided by section 2 of the amendment, which is the public debt provision.

The public debt provision makes it more difficult for Congress to vote a deficit. It means that if we vote a deficit and fail to increase the public debt, then Government will come to a halt. If we do not increase the public debt, eventually, we run on a balanced budget.

We cannot run on deficit spending. Therefore, section 2 has the intention of making it more difficult. So I say it is not for the purpose of making it harder to pay our debts, it is to make it harder to go into deficit spending and to give an enforcement procedure—a process, a mechanism that is so important because it is not just words that we could pass by and ignore.

Other than just being directory, the amendment, by way of section 2, has some teeth and that is what is so important if we are going to do away with deficit spending and operate so that we do not spend any more money than the

amount coming into the Government. That is what we are trying to achieve here. But it does allow for an escape in those instances of depression and those instances of war.

Section 3 provides for the submission by the President of a balanced budget to Congress. This section reflects the belief that sound fiscal planning should be a shared governmental responsibility by the President as well as the Congress.

Section 4 of the amendment requires a majority vote of the whole number of each House of Congress any time Congress votes to increase revenues. This holds public officials responsible, and puts elected officials on record for any tax increase which may be necessary to support Federal spending.

Section 5 of the amendment permits a waiver of the provisions for any fiscal year in which a declaration of war is in effect. I am pleased to say that this section also contains a provision long supported by myself and accepted as an amendment to Senate Joint Resolution 18 during its consideration by the Senate Judiciary Committee—that of allowing a waiver in cases of less than an outright declaration of war—where the United States is engaged in military conflict which causes an imminent and serious threat to national security, and is so declared by a joint resolution, which becomes law. Under this scenario, a majority of the whole number of each House of Congress may waive the requirements of a balanced budget amendment.

I firmly believe that Congress should have the option to waive the requirement for a balanced budget in cases of less than an outright declaration of war. Looking back over the history of our Nation, we find that we have had only five declared wars: The War of 1812, the Mexican War, the Spanish-American War, the First World War, and the Second World War.

The most recent encounters of the United States in armed conflict with enemies have been, of course, undeclared wars. We fought the gulf war without a declaration of war. In addition, we fought both the Vietnam and Korean actions without declarations of war.

This country can be faced with military emergencies which threaten our national security, without a formal declaration of war being in effect. Circumstances may arise in which Congress may need to spend significant amounts on national defense without a declaration of war. Congress and the President must be given the necessary flexibility to respond rapidly when a military emergency arises.

In the future, there could be a war like the Vietnam war—which went on for 11 years. Without a waiver for situations regarding less than an outright declaration of war, each year you would have to waive the constitutional

amendment pertaining to a balanced budget by a three-fifths vote. We might look back and we would see that the vote to withdraw the troops from Vietnam carried by only eight votes. The difference between a majority and a three-fifths vote is a difference between 51 and 60, which is 9 votes.

The United States has engaged in only five declared wars, yet the United States has engaged in hostilities abroad which required no less commitment of human lives or American resources than declared wars. In fact, our Nation has been involved in approximately 200 instances in which the United States has used military forces abroad in situations of conflict. Not all of these would move Congress to seek a waiver of the requirement of a balanced budget, but Congress should have the constitutional flexibility to provide for our Nation's security.

Twice since the end of the Second World War, first in Korea and then in Indochina, this Nation has been heavily engaged in armed conflicts abroad. In other instances, American troops have been sent to foreign countries in times of crisis—Lebanon in 1958, and the Dominican Republic in 1965. Other Critical situations, including the confrontation in the Formosa Straits in 1955, the Cuban missile crisis in 1962, the seizure of the *Mayaguez* in 1975, have been met by use of American military forces.

I think it is wise to look at some of the other instances in which we have had undeclared war and to see how serious they were. During 1914 to 1917, a time of revolution in Mexico, there were at least two major armed actions by United States forces in Mexico. The hostilities included the capture of Vera Cruz and Pershing's subsequent expedition into Northern Mexico.

In 1918, Marines landed at Vladivostok in June and July to protect the American consulate. The United States landed 7,000 troops which remained until January 29, as part of an Allied Occupation Force. In September 1918, American troops joined the Allied Intervention Force at Archangel and suffered some 500 casualties.

In 1927, fighting at Shanghai caused American Naval Forces and Marine Forces to be increased. In March of 1927, a naval guard was stationed at the American consulate at Nanking after national forces captured the city. A United States and British warship fired on Chinese soldiers to protect the escape of Americans and other foreigners. By the end of 1927, the United States has 44 naval vessels in Chinese waters, and 5,670 men ashore.

When a pro-Nasser coup took place in Iraq in January of 1958, the President of Lebanon sent an urgent plea for assistance to President Eisenhower, saying Lebanon was threatened by both internal rebellion and indirect aggression. President Eisenhower responded

by sending 5,000 marines to Beirut to protect American lives and help the Lebanese maintain their independence. This force was gradually increased to 14,000 soldiers and marines who occupied strategic positions throughout the country.

The most recent military involvement of the United States in an undeclared war is, of course, the Persian Gulf War. Although the actual Gulf War lasted just over a month, this country had a peak strength of 541,000 troops. In addition, the Department of Defense estimates the cost of Operation Desert Storm at \$47 billion.

I think you could go on and on concerning various instances that have occurred pertaining to our involvement in conflict abroad at various times in which there was undeclared war. I will not specify the instances under which such a waiver would be necessary or appropriate. I am one individual among many individuals. But Congress certainly should have the flexibility, within the mandates of a constitutional amendment, to allow the Nation to provide for its security.

Section 6 of the amendment permits Congress to rely on estimates on outlays and receipts in the implementation and enforcement of the amendment by appropriate legislation.

Section 7 of the amendment provides that total receipts shall include all receipts of the United States except those derived from borrowing. In addition, total outlays shall include all outlays of the United States except those for repayment of debt principal. This section is intended to better define the relevant amounts that must be balanced.

Mr. President, the future of our Nation's economy is not a partisan issue. Furthermore, the problem of deficit spending cannot be blamed on one branch of Government or one political party. Similarly, just as everyone must share part of the blame for our economic ills, everyone must be united in acting to attack the growing problem of deficit spending. Recognize that a balanced budget amendment will not cure our economic problems overnight, but it will act to change the course of our future and lead to responsible fiscal management by our National Government.

Mr. McCONNELL. Mr. President, I rise today in support of the balanced budget amendment to the Constitution. I believe that the Congress has stalled long enough in requiring a balanced budget. Thomas Jefferson first warned back in 1798 that "the public debt is the greatest of dangers to be feared by a Republican government." I can only imagine what Mr. Jefferson might say if he knew that the deficit will reach \$400 billion in 1992.

The American people and the people of Kentucky have demanded that the Government operate within its means.

They are fed up with all the excuses and finger-pointing that goes on here in Washington. In 1990, when the deficit was a mere \$220 billion, a nationwide poll showed that 74 percent of the people supported a balanced budget amendment. Two years and \$200 billion later, Congress remains gridlocked and totally ineffective in dealing with difficult budget concerns.

Mr. President, I believe that a constitutional amendment is required because it is obvious that Congress can not maintain self-imposed spending limits. Between 1985 and 1989, the Gramm-Rudman-Hollings deficit targets reduced total Federal spending by half. Total spending as a percent of gross domestic product was reduced to 22 percent, the lowest point since 1974. However, since the abandonment of the deficit targets, spending has ballooned and now consumes a record 25 percent of gross domestic product.

Mr. President, Congress created much of this debt in the last 30 years. Before World War II, Congress was able to abide by an unwritten rule of spending within it means. Since 1962, however, only once did revenue exceed expenditures. And for the last 21 years, Congress has maintained a perfect deficit spending record and racked up over \$3 trillion in debt.

The total debt owed by this country is incomprehensible. Later this year, the debt will reach \$4 trillion. Mr. President, this amounts to \$16,000 for every man, woman, and child in America.

What is even more astounding is the interest owed on this debt. This year, the interest payment on that debt will hit a record \$200 billion. This is equal to what will be spent on domestic programs this year alone. Mr. President, this excessive debt burden can no longer be tolerated.

Deficits have consumed two-thirds of private savings in this Nation since 1980. This has handicapped investment and industrial growth in the private sector. We cannot continue to kid ourselves; excessive Federal spending hurts our own growth potential.

Let's not forget, Mr. President, that the payment on this debt does not just go to pensions and banks, but to foreign investors as well. In 1987, the United States borrowed a record \$150 billion in foreign capital. Foreign investors have profited greatly from our spending addiction.

I commend my colleagues, Senators NICKLES, SEYMOUR, and KASTEN for their efforts to reduce the \$4 trillion Federal deficit. As I stated earlier, Congress has proven its ineffectiveness in dealing with any form of deficit reduction.

This amendment takes the necessary first step in controlling fiscal irresponsibility by requiring a three-fifths supermajority vote to pass any deficit spending measures. This amendment

does not go far enough because it does not protect the American people from excessive and continual tax increases.

In my opinion, though, Senator KASTEN's amendment would remedy this by amending the bill to require a three-fifths supermajority vote to increase taxes. This should protect the American taxpayer from excessive tax increases passed by Congress under the guise of political necessity.

I would like to remind my colleagues of the effects of the 1990 budget agreement. In 1990, Congress opted to increase taxes rather than making significant reductions in Federal spending. Predictably, this tax hike actually increased, not decreased, the deficit.

I believe that the American people will not tolerate Congress continually returning to the tax well to finance congressional largess. Therefore, the Kasten amendment is a necessary addition to the balanced budget amendment.

Mr. President, certain special interest groups, in an effort to defeat the balanced budget amendment, are resorting to scare tactics by claims that a balanced budget would force cuts in Social Security benefits. This is simply not true. There is nothing in this amendment that specifies cuts in any specific program or agency. Social Security is an earned entitlement. People have paid into this trust fund and will receive their deserved benefits.

Congress must seriously evaluate the unchecked growth of mandatory programs. Mandatory programs make up 48 percent of the total Federal budget. That is \$700 billion of the record \$1.47 trillion to be spent this year. Programs have been permitted to grow, in some instances, at rate of 10, 12, and 15 percent annually. Hundreds of billions of dollars can be saved if sensible growth limits are enacted. Nonetheless, efforts to sensibly cap growth of these programs fail regularly in this Chamber.

Finally, I urge the rest of my colleagues to support this legislation as the only viable means of truly controlling Federal spending. Mr. President, we can no longer rely on gimmicks and empty promises to balance the budget. We must pass a constitutional amendment as a promise to future generations.

Mr. President, I yield the floor.

Mr. KASTEN. I ask unanimous consent that all time be yielded back on all sides.

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

All time having been yielded back, the question is on agreeing to the amendment. 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 New Jersey [Mr. BRADLEY] and the Senator from North Carolina [Mr. SANFORD] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] and the Senator from Delaware [Mr. ROTH] are absent due to illness.

I further announce that, if present and voting, the Senator from North Carolina [Mr. HELMS] would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 33, nays 63, as follows:

[Rollcall Vote No. 133 Leg.]

YEAS—33

Bond	Gorton	Murkowski
Brown	Gramm	Nickles
Burns	Grassley	Pressler
Coats	Hatch	Seymour
Cochran	Hollings	Simpson
Craig	Kasten	Smith
D'Amato	Lott	Stevens
Dole	Lugar	Symms
Domenici	Mack	Thurmond
Fowler	McCain	Wallop
Garn	McConnell	Warner

NAYS—63

Adams	Durenberger	Metzenbaum
Akaka	Exon	Mikulski
Baucus	Ford	Mitchell
Bentsen	Glenn	Moynihan
Biden	Gore	Nunn
Bingaman	Graham	Packwood
Boren	Harkin	Pell
Breaux	Hatfield	Pryor
Bryan	Heflin	Reid
Bumpers	Inouye	Riegle
Burdick	Jeffords	Robb
Byrd	Johnston	Rockefeller
Chafee	Kassebaum	Rudman
Cohen	Kennedy	Sarbanes
Conrad	Kerrey	Sasser
Cranston	Kerry	Shelby
Danforth	Kohl	Simon
Daschle	Lautenberg	Specter
DeConcini	Leahy	Wellstone
Dixon	Levin	Wirth
Dodd	Lieberman	Wofford

NOT VOTING—4

Bradley	Roth
Helms	Sanford

So the amendment (No. 2453) was rejected.

AMENDMENTS NUMBERED 2448 AND 2449

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the first- and second-degree amendments by the senior Senator from West Virginia, amendments number 2448, and 2449, with 2 hours of debate to be equally divided.

Who yields time?

Mr. NICKLES. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma [Mr. NICKLES] is recognized.

Mr. NICKLES. Mr. President, let me tell my colleagues where we are. We are now in the process of voting on Senator BYRD's amendment to my amendment. My amendment is a constitutional amendment to make us balance the budget; this is the same amendment—myself, Senator SEYMOUR, Senator GRAMM, and many others have been working on for a long time. It happens to be the same amendment voted on and narrowly defeated by the House of Representatives.

Mr. President, I think this probably is the most important vote that we will cast, possibly, this year, maybe in the last couple of Congresses. I hope this amendment will pass.

I want to tell my colleagues that it was this Senator's hope that we would vote up or down on the constitutional amendment to balance the budget. The majority leader and many on the other side of the aisle did not want us to get an up-or-down vote. Certainly, it has not been my desire to delay action in the Senate.

I hoped we would have a good debate, and we have had a good debate. We had about 25 Senators debate this issue last Thursday. It was a good debate, a thorough debate. I think, further, it evidenced the need for a constitutional amendment to balance the budget. We have been denied an up-or-down vote, and I realize the leadership on the other side of the aisle does not want to give us a vote.

I see Senator MITCHELL on the floor and I thank him for working with us to develop a schedule for considering this matter. The Byrd amendment, quite frankly, Mr. President, is very plainly a killer amendment. I will read the first part of the Byrd amendment: "In lieu of the matter proposed be inserted"

In other words, it strikes the balanced budget amendment. It eliminates the balanced budget amendment. And if Senator BYRD is successful—and he may well be, because I respect his ability to get votes on the floor of the Senate—if he is successful, he has killed our effort this year once and for all to pass a constitutional amendment to balance the budget. I hope that does not happen. If we are successful in defeating Senator BYRD's amendment, we will have two votes on cloture to end the filibuster. We will see what happens on the cloture vote.

Mr. President, I think this is a vitally important issue, one which the American people are supportive of, and an issue Congress needs to deal with. I would like to see Congress be courageous enough to vote on it up or down. It is this Senator's intention to keep pushing until we can. We have worked out an arrangement where we will have four votes. We had a vote on the Kasten amendment, and now we will vote on Senator BYRD's amendment, which kills the balanced budget amendment. If we are successful in defeating the Byrd amendment, we will have at least two cloture votes.

The first time in 1982, when the Senate voted on a constitutional amendment to balance the budget, we passed it. By the end of 1982, the national debt stood at \$1.14 trillion. When we voted again in 1986, it was defeated in the Senate by one vote. The national debt at that time was \$2.2 trillion.

The House voted on it in 1990, and the gross public debt was \$3.2 trillion. The

House voted on it, just last week. It is expected this year we will actually exceed a public debt of \$4 trillion.

Mr. President, we cannot continue down this path. We need to pass a constitutional amendment to balance the budget. I think probably the clearest vote we are going to have this year will be on the Byrd amendment, which kills a constitutional amendment to balance the budget.

I hope my colleagues will not agree to such an amendment.

Mr. MITCHELL. Mr. President, under the order, is the Senator from West Virginia controlling the time on this side?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. Mr. President, I yield to the majority leader such time as he may require.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, I would like to respond briefly to my friend and colleague from Oklahoma.

The rules of the Senate permit a minority of Senators—less than 50 Senators—to prolong debate and thereby deny a vote, even though a majority of the Senate is to the contrary. The Senator from Oklahoma, since 1987, has voted 56 times against cloture to deny to other Senators their right to have a vote on a measure that they deemed important; 56 times. That is, of course, his right under the rules.

Every Senator has voted for or against cloture on some occasion, whether they felt there genuinely should be more debate, a perfectly legitimate point of view, or whether they disagreed with the bill then intended, or whether they had some other motivation. But let no one in the Senate, let no one in this Chamber, let no American be deluded by this debate in which it is suggested: why do we just not have a vote?

The Senator from Oklahoma has joined with a minority of Senators time and time again to deny other Senators a vote, as was his perfect right, as is the right of Senators on this issue; 56 times he has voted against cloture. He may on some of those occasions have been against the bill being considered, or he may have felt there ought to be a lot longer debate, or he may have other reasons. While all Senators know this, many Americans are likely to be misled and deceived by this superficially appealing argument: why do we just not have a vote? Every Senator knows the answer to that.

There are many, many, many issues on which we do not have votes, because Senators use their rights under the rules to delay consideration, for whatever reason maybe motivating them. It is up to each Senator to set forth his or her reason.

I hope, when we get into this debate, we will all understand that everyone

here has regularly voted against cloture. The Senator from Oklahoma recently joined with a minority of Senators to deny the Senate the right to vote on comprehensive crime control legislation, one of the most important pressing matters in this country, to deal with violent crime in America.

We had a bill that the Senate passed once, the House passed, and it is now back before the Senate, and a clear majority of the Senate favors it. But a minority of Senators, including the Senator from Oklahoma, exercising their rights under the rules, continue to deny the Senate the opportunity to vote on that important measure.

So let no one be misled or deceived or deluded by what is being said here today. The rules of the Senate permit unlimited debate. Senators have frequently used those rules to insist on unlimited debate on many other measures. As I said, the Senator from Oklahoma has voted that way 56 times since 1987.

So we welcome the debate and discussion, and we hope that everyone here understands that the Senate rules are available to every Senator, not to some. They are available on every issue, not on just some. I hope our colleagues will keep that in mind as we debate this matter.

Mr. President, I thank the distinguished Senator from West Virginia, and I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Chair recognizes the Senator from Oklahoma [Mr. NICKLES].

Mr. NICKLES. Mr. President, I would like to respond to my friend and colleague, the majority leader. I appreciate his willingness to work with us, we will have at least three or four votes on the balanced budget amendment. This is not the vote on cloture; this is the vote on the Byrd amendment that kills the balanced budget amendment.

I think it is clear that if we prevail, if we should be so fortunate to win and defeat the Byrd amendment, then we will have a vote on cloture. And maybe at that point, we will make the cloture argument.

Mr. President, I yield to my friend and colleague and the cosponsor of this amendment, Senator SEYMOUR, for 2 minutes.

The PRESIDING OFFICER. The Senator from California [Mr. SEYMOUR] is recognized for up to 2 minutes.

Mr. SEYMOUR. Mr. President, I thank the distinguished Senator from Oklahoma.

I will comment relative to the facts, and suggest that the Senate majority leader is entirely correct in his description of the rules. Nobody has suggested—and I certainly would not—that the Senate majority leader has unfairly or in any other way misapplied the rules of the Chamber. The

point is, if you cast your vote against cloture, you simply do not want to vote on the balanced budget amendment.

So, what the distinguished Senator from Oklahoma is saying—and I wholeheartedly agree—is that we have been prevented from an up-or-down vote on a balanced budget amendment. And the amendment we are currently debating, the Byrd amendment, will in fact remove any opportunity whatsoever to vote, up-or-down vote, on the balanced budget amendment.

Therefore, we must straddle each of these parliamentary hurdles, if you will, one at a time. To succeed and have an up-or-down vote on a balanced budget amendment, we must first defeat the Byrd amendment. Then we must vote for cloture. And then maybe—just maybe—we may finally be given the opportunity for an up-or-down vote.

The PRESIDING OFFICER. Who yields time? The Senator from Oklahoma [Mr. NICKLES].

Mr. NICKLES. I yield the Senator from Idaho [Mr. CRAIG] 4 minutes.

The PRESIDING OFFICER. The Senator from Idaho is recognized for up to 4 minutes.

Mr. CRAIG. I thank my colleague for yielding.

Mr. President, as we debate the Byrd amendment, which has been clearly and properly characterized here today as the killer amendment, if the Byrd amendment is adopted, it does kill the constitutional amendment to balance the Federal budget. Those who vote for Byrd simply do not want to use the Constitution, as many of us now believe is necessary and appropriate, for the purpose of bringing the kind of fiscal responsibility to this body that is so essentially necessary.

It is argued by so many that if we use the Constitution, it takes the right to appropriate, the right to budget, away from the legislative branch of Government and spreads it into the courts and into the judicial branch, or brings it even further into the executive branch.

I think the Senator from West Virginia and I agree that when it comes to budgeting, we must engage the executive branch even more than we ever have before. And the amendment of my colleague from Oklahoma, the constitutional amendment on the floor for debate, does clearly bring the executive branch into that process much more clearly and strongly than it ever has.

Let me ask unanimous consent to have printed in the RECORD an opinion from the Lincoln Legal Foundation as it relates to standing, and the procedure under which the constitutional amendment, as currently being discussed, would provide standing, and the responsibility of this Senate and the House in their appropriate budgetary roles.

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

THE LINCOLN LEGAL FOUNDATION,
Chicago, IL, June 5, 1992.

Hon. L.F. PAYNE,
House of Representatives, Washington, DC.

DEAR MR. PAYNE: On behalf of the Lincoln Legal Foundation, let me extend my thanks to you for providing this opportunity to comment on the proposed Balanced Budget Amendment outlined in H.J. Res. 290. We at the Foundation take pride in serving as advocates for the broad public interest in defending liberty, free enterprise, and the separation of powers. It is in this capacity that we have undertaken our evaluation of the proposed Amendment.

We have confined our remarks to the prospects for judicial enforcement of the Balanced Budget Amendment. Critics have charged that the Amendment will unleash an avalanche of litigation, thereby paving the way for the micro-management of budgetary policy by the federal judiciary. As defenders of the Madisonian system of checks and balances, we at the Foundation take such charges seriously and have scrutinized them in light of the relevant case law.

We begin with a brief overview of standing doctrine and its impact on the justiciability of the proposed Amendment. We then consider the political question doctrine and the barriers it creates to judicial review. We conclude with our recommendations for refining and implementing the Amendment.

I. STANDING UNDER THE BALANCED BUDGET AMENDMENT

Standing refers to a plaintiff's interest in the issue being litigated. Generally speaking, in order to have standing a plaintiff must have a direct, individualized interest in the outcome of the controversy at hand. Persons airing generalized grievances, common to the public at large, invariably lack standing.

Limitations on standing stem from two sources. Article III section II of the Constitution restricts the jurisdiction of the federal judiciary to "cases" and "controversies." As a result, only plaintiffs with a personal stake in the outcome of a particular case have standing to litigate. The general prohibition against advisory opinions also can be traced to Article III.

In addition to Article III restrictions, federal courts have outlined certain "prudential" restrictions on standing, premised on non-constitutional policy judgments regarding the proper role of the judiciary. Unlike Article III restrictions on standing, prudential restrictions may be altered or overridden by Congress.

Standing requirements under the proposed Balanced Budget Amendment will vary according to the type of litigant. Potential litigants fall into three categories: (1) Members of Congress, (2) Aggrieved Persons (e.g. persons whose government benefits are reduced or eliminated by operation of the Amendment), and (3) Taxpayers.

A. MEMBERS OF CONGRESS

The federal courts by and large have denied standing to members of congress to litigate issues relating to their role as legislators.¹ Only when an executive action has deprived members of their constitutional right

to vote on a legislative matter has standing been granted.²

Accordingly, Members of Congress are unlikely to have standing under the proposed Balanced Budget Amendment, unless they can claim to have been disenfranchised in their legislative capacity. Assuming that Congress does not ignore the procedural requirements set forth in the Amendment, the potential for such disenfranchisement seems remote.

B. AGGRIEVED PERSONS

Standing also seems doubtful for persons whose government benefits or other payments from the Treasury are affected by the Balanced Budget Amendment. In order to attain standing, such persons must meet the following Article III requirements: (1) They must have sustained an actual or threatened injury; (2) Their injury must be traceable to the governmental action in question; and (3) The federal courts must be capable of redressing the injury.³

Assuming a plaintiff could meet the first two requirements, he still must show that the federal courts are capable of dispensing a remedy. Judicial relief could take the form of either a declaratory judgment or an injunction. A declaratory judgment, stating that Congress has acted in an unconstitutional manner, would do little to redress the plaintiff's injury. On the other hand, injunctive relief could pose a serious threat to the separation of powers.

For example, an injunction ordering Congress to reinstate funding for a particular program would substantially infringe upon Congress' legislative authority. Similarly, an injunction ordering all government agencies to reduce their expenditures by a uniform percentage—would undermine the independence of the Executive Branch. It is unlikely that the present Supreme Court would uphold a remedy that so blatantly exceeds the scope of judicial authority outlined in Article III.

C. TAXPAYERS

Taxpayers may have a better chance of attaining standing under the proposed Balanced Budget Amendment. Traditionally, the federal courts refused to recognize taxpayer standing. However, in 1968 the Warren Court held in *Flast v. Cohen* that a taxpayer plaintiff does have standing to challenge Congress's taxing and spending decisions if the plaintiff can establish a logical nexus between his status as a taxpayer and his legal claim.⁴

The logical nexus test consists of two distinct elements. First, the plaintiff must demonstrate that the congressional action in question was taken pursuant to the Taxing and Spending Clause of Article I Section 8 of the Constitution. Second, the plaintiff must show that the statute in question violates a specific constitutional restraint on Congress's taxing and spending power.⁵

Taxpayers suing under the proposed Balanced Budget Amendment probably could meet both prongs of the logical nexus test.⁶

² *Kennedy v. Sampson* 511 F. 2d 430 (D.C. Cir. 1974) (standing granted to a senator challenging the constitutionality of the President's pocket veto).

³ See, e.g., *Simon v. Eastern Kentucky Welfare Rights Organization*, 426 U.S. 26 (1976); and *Allen v. Wright*, 468 U.S. 737 (1984).

⁴ *Flast v. Cohen*, 392 U.S. 83 (1968).

⁵ *Valley Forge Christian College v. Citizens United for the Separation of Church and State*, 454 U.S. 464 (1982) (standing denied because an executive agency's sale of surplus federal land to a religious college was not an exercise of Congress's taxing and spending power).

⁶ See Note, *Article III Problems in Enforcing the Balanced Budget Amendment*, 83 Columbia L. Rev. 1064, 1079-80 (1982).

In order to satisfy the first prong, potential litigants would have to tailor their complaint to challenge the unconstitutional enactment of a law by Congress (e.g. an appropriations bill), not the unconstitutional execution of a law by the Executive. Litigants could satisfy the second prong by demonstrating that the statute in question violates the Balanced Budget Amendment, an express restriction on Congress's taxing and spending power.

Even if a taxpayer satisfies *Flast's* logical nexus test, more recent opinions like *Valley Forge* suggest that the Supreme Court also would expect taxpayer plaintiffs to fulfill the Article III standing requirements. In other words, in order to have standing, a taxpayer would have to demonstrate that he has sustained an actual or threatened injury traceable to a specific congressional action.

In theory, a taxpayer could claim that excess spending in violation of the Balanced Budget Amendment will harm him by undermining the national economy or by increasing the national debt. However, a majority of the Supreme Court probably would find the connection between the excess spending and the alleged injuries too tenuous to grant standing. As a result, standing would be limited to taxpayers with concrete injuries, stemming directly from the congressional action in question.

II. THE AMENDMENT AND THE POLITICAL QUESTION DOCTRINE

Even if a litigant attained standing under the proposed Balanced Budget Amendment, a federal court could refuse to hear the case on the grounds that it raises a political question. The leading case with respect to political questions remains *Baker v. Carr*.⁷ In *Baker*, the Supreme Court held that the constitutionality of a state legislative apportionment scheme did not raise a political question. In doing so, the Court identified a number of contexts in which political questions may arise.

Foremost among these are situations in which the text of the Constitution expressly commits the resolution of a particular issue to a coordinate branch of government. The Judicial Branch will refrain from adjudicating an issue in such circumstances. However, this textual constraint would not preclude judicial review of the proposed Balanced Budget Amendment, since H.J. Res. 290 does not assign responsibility for enforcing the Amendment to either the President or the Congress.

The *Baker* court also identified the following prudential considerations in deciding whether to invoke the political question doctrine as a bar to judicial review:⁸

(A) Is there a lack of discernable or manageable judicial standards for resolving the issue?

(B) Can the court resolve the issue without making an initial policy determination that falls outside the scope of judicial authority?

(C) Can the court resolve the issue without expressing a lack of respect for the coordinate branches of government?

(D) Will judicial intervention result in multifarious pronouncements on the same issue from different branches of government?

Each of these considerations creates an impediment to judicial review of the proposed Balanced Budget Amendment. In particular, courts may find the fiscal subject matter of the Amendment difficult to administer. For example, what happens if "estimated receipts" fall short of projections halfway

⁷ 369 U.S. 186 (1962).

⁸ *Baker v. Carr*, 369 U.S. at 217.

¹ *Harrison v. Bush*, 553 F.2d 19 (D.C. Cir. 1977) (standing denied to a senator seeking declaratory and injunctive relief against the CIA for its allegedly unlawful activities).

through a fiscal year? On what data and accounting methods would the courts be expected to rely? Given the lack of concrete standards, apparently rudimentary determinations (e.g. When do "total outlays" exceed "estimated receipts"?) may prove beyond the competence of the judiciary.

Moreover, the potential judicial remedies for violations of the Amendment may undermine the separation of powers. As discussed above, various forms of injunctive relief almost certainly would infringe upon the prerogatives of Congress and the Executive Branch. Given the Supreme Court's structuralistic adherence to the separation of powers doctrine in cases like *I.N.S. v. Chadha*⁹ and *Bowsher v. Synar*,¹⁰ it is almost impossible to imagine a majority of the justices on the present, or a future, Court jumping at the opportunity to become embroiled in a partisan wrangle over the size and scope of the federal budget. Instead, one would expect the Court to make every effort to avoid such an intrusion.

III. CONCLUSIONS

The constraints imposed by standing requirements and the political question doctrine by no means preclude judicial review of the Balanced Budget Amendment. Nevertheless, they do place substantial barriers to litigation. In light of these impediments, the Foundation believes that the prospects for a flood of new litigation and the specter of budgeting by judicial fiat have been greatly exaggerated.

The Amendment proposed in H.J. Res. 290 would clearly invite judicial review of any spending or taxing legislation purportedly enacted in violation of the formal requirements (e.g. a supermajority for increasing the debt limit, a full majority on recorded for a tax increase) set forth in the text. This is no different from the *status quo*, for even now we would expect a court to strike down an act that was somehow enrolled on the statute books without having properly cleared the requisite legislative process of votes, presentment, and the like.

What the Amendment would not do is to confer upon the judiciary an authority to substitute its own judgment as to the accuracy of the revenue estimates, the needfulness of taxes, or the prudence of a debt limit. The courts would merely police the formal aspects of the work of the political branches: Did they enact a law devoted solely to an estimate of receipts? Are all outlays held below that estimate? Were measures passed by requisite majorities voting, when required, on the record?

Sections 2 and 4 of the proposed amendment clearly invite only limited judicial scrutiny of this kind, and then only of the process, and not of the substance, by which the political branches have acted.

Section 3 seems to be purely hortatory and probably provides no predicate at all for judicial action. Whatever the political ramifications of a failure on the part of a President to propose a balanced budget in any given year may be, there appear to be no legal implications whatsoever. No act of law-making depends in any constitutional sense upon the President's compliance with this

requirement, let alone upon the substance that any such proposal may contain.¹¹

Section 1 is the crucial text, then, but even here the boundaries of justiciability would be tightly limited. A purported enactment might be struck down by the courts if it provided for outlays of funds in excess of the level of estimated receipts established for the year in the annual estimates law, or if it called for such an excessive outlay without having been passed on a roll-call vote by the required super-majority, or if it attempted to avoid the balanced budget limit applicable to the fiscal year of its enactment by purporting to be within the limits of receipts estimated for another year, past or future.

But there is no basis in the text of Section 1 for a court to pick and choose among congressional spending decisions on any basis. That is, the proposed amendment would confer no authority on the judiciary to choose which appropriations would be satisfied from the Treasury and which would not, but only to say that once outlays had reached the level established in the estimates law then the officials of the Treasury must cease disbursing any additional funds.

Because Section 6 of the proposed amendment would define "total outlays" to "include all outlays of the United States Government except for those for repayment of debt principal", the amendment would abolish permanent indefinite appropriations, revolving funds, and the funds, such as the Judgment Fund, from which they are disbursed.¹² This would decisively prevent the courts from invading the Federal fisc in the guise of damages awards against the United States Government. Upon effectuation of this amendment, damages awards against the Government in all cases (except for repayment of debt principal) would have to be part of the outlays voted each year by Congress, and the current congressional practice of waiving the sovereign immunity of the United States on a blanket basis in the adjudication of various kinds of damages against the Government would have to end.

In short, it is our view that there is virtually no danger that the constitutional balanced budget amendment contemplated by H.J. Res. 290 would cede the power of the purse to a runaway judiciary. To the con-

¹¹Section 3 would confer constitutional dignity upon a practice that has evolved on an extraconstitutional basis in this century, the submission of a Presidential budget each year. The practical and political wisdom of the practice is debatable, as is the wisdom of the contents of any particular budget. But the practice, even with the constitutional sanction that H.J. Res. 290 would give it, in no way derogates from the responsibility of Congress to account for the power of the purse or from the procedural rules adopted by the Framers for safeguarding the separation of powers respecting the fisc, such as the requirement that bills for raising revenue originate in the House of Representatives. The President would now have a constitutional duty to propose an annual balanced budget, but his submission would be only a proposal, and the existing groundrules of Articles I and II would continue to define the procedures by which laws are made and the separation of powers maintained.

¹²It is our view that this would also abolish other permanent indefinite appropriations arrangements and revolving funds as they now stand, including those for the Social Security, Medicare, and Civil Service Retirement Systems. They all involve "outlays" within the comprehensive meaning of Section 6, and so would all require affirmative congressional action for each year's disbursements. Congress could continue to provide that outlays be made on formulaic bases (e.g., as "formula payments"), but they would be subject to the total annual ceiling on outlays and mere qualification of an individual to receive a payment would no longer automatically work to raise the spending limit.

trary, it would eliminate certain authorities that courts currently have to order the disbursement of Federal funds without appropriations. If ratified and made part of the constitution, the balanced budget amendment would return responsibility and accountability for all Federal outlays squarely to the Congress.

Sincerely yours,

JOSEPH A. MORRIS,
President and General Counsel.¹³

Mr. CRAIG. Mr. President, there is also another issue that I think should be and is necessarily addressed here with the broad issue of the balanced budget amendment.

For some years, many of my colleagues on the other side of the aisle have argued that it is improper to put a constitutional amendment to balance the Federal budget in the Constitution. And they have quoted oftentimes Laurence Tribe, a Tyler professor of constitutional law from Harvard Law School.

In 1982, he argued that it was his point of view that it should not happen; it was inappropriate to put this kind of budgetary guideline or responsibility inside the Constitution.

But when he came before the Senate Budget Committee this year, he basically said: I have changed my mind. I have changed my mind because this Senate and this House—speaking of the Congress—has simply let the budget run uncontrolled.

Let me quote from some of his comments before the Budget Committee. He said: "At the outset, let me make it clear that despite my misgivings—" and those are the ones of a balanced budget requirement in the Constitution that he had made over a decade ago. He was changing his mind. And the reason he was changing his mind, I think, largely was spoken to the fact that he did not believe that the Congress could deny itself the siren's song, as he called it, the siren's song of withstanding the pressure of special-interest groups, or the fact that they could buy votes by offering money for special expenditures to the citizenry for the purpose of pleasing them.

Furthermore, he spoke of the Jeffersonian notion that today's populist should not be able, by profligate borrowing, to burden future generations with excessive debt. And that was the crux of his debate.

Here is someone often quoted by the other side as the pillar of opposition to a balanced budget amendment in the Constitution. This year, that pillar crumbled. And the reason that pillar crumbled is that this body and this Congress, for the decade from 1982 until 1992, when Laurence Tribe changed his mind, was simply and clearly fiscally irresponsible.

¹³I would like to thank Charles H. Bjork, a third-year law student at Northwestern University and a student intern at The Lincoln Legal Foundation, for his invaluable assistance in the preparation of this analysis.

⁹462 U.S. 919 (1983) (legislative veto held unconstitutional for violating the Bicameralism and Presentment Clauses of Article I Section 7).

¹⁰478 U.S. 714 (1986) (Gramm-Rudman Deficit Reduction Act violated the separation of powers by placing responsibility for executive decisions in the hands of an officer who is subject to control and removal by Congress).

The Federal debt increased by nearly \$2 trillion during this period of time. And, of course, we are now some \$350 billion in deficit, and there is no end in sight.

And yet, we here today bypass a balanced budget amendment: Let us kill it by a vote on the Byrd amendment. We do not want to give the American people what they are asking for, and that is the right to control their politicians' appetites for expenditures by a balanced budget amendment to the Constitution.

The PRESIDING OFFICER. The Senator's 4 minutes have expired.

Who yields time?

Mr. NICKLES. Mr. President, I am happy to accommodate Senator BYRD'S request. I have not see him seek the floor.

I yield the Senator from Arizona 5 minutes.

The PRESIDING OFFICER. The Senator from Arizona, Senator MCCAIN, is recognized for up to 5 minutes.

Mr. MCCAIN. Mr. President, it is with regret that I note the defeat of the Kasten amendment. Even more regretful is that this important amendment only garnered 33 votes.

Be that as it may, I will not take much time on the pending amendment, since it is well known that the effect, if not the intent, of the Byrd amendment would be to kill the Nickles-Seymour balanced budget amendment.

Mr. President, we just heard from the distinguished majority leader—who has my admiration and respect—the fact that my colleague from Oklahoma and those of us in the minority have voted many times against the invocation of cloture. And as he correctly recognized, that is the right of a minority of Senators.

At the same time, I think it neglects the most important aspect of this debate, which is how do we address the deficit which is mortgaging the futures of generations of Americans?

Already today, we have laid a burden of \$16,000 of debt for every man, woman, and child in America. And to use the excuse that we will not have an up-or-down vote on a balanced budget amendment simply because both sides of the aisle may be taking advantage of parliamentary procedure, Mr. President, neglects—sadly neglects—the fact that we had better address this deficit problem one way or the other. In a recent poll, 17 percent of the American people approved of Congress and 77 percent disapproved. Some 80 percent of the American people think we are on the wrong track.

Mr. SYMMS. Mr. President, will my colleague yield for a question?

Mr. MCCAIN. I am glad to yield.

Mr. SYMMS. Did the Senator say that every American is in debt \$16,000?

Mr. MCCAIN. Every man, woman, and child in America now shoulders a debt of \$16,000 as a result of the \$4 trillion debt.

Mr. SYMMS. No wonder the babies cry when they come into the world.

Mr. MCCAIN. Mr. President, I always appreciate the insightful views of my colleague from Idaho. He will be missed around here by all Members of this body.

Mr. President, the majority leader used the example of the crime bill and how important it was. The majority leader neglected to mention the fact that the crime bill passed by a majority of both Houses, but that it will be vetoed by the President and the veto will be sustained.

It is time we sat down together and worked out our differences and passed a crime bill that will be supported by the administration, as well as a majority of both Houses. I expect that should include the consideration of some of the views on this side of the aisle and the views of the administration.

Mr. President, in 1798, Thomas Jefferson raised the same concern about the Constitution that we are debating today. He succinctly stated, "If there is one omission I fear in the document called the Constitution, it is that we did not restrict the power of the Government to borrow money."

Mr. President, the problem today is that the Government has borrowed \$4 trillion. And in light of the defeat of the Kasten amendment and in light of the pending defeat of the Nickles amendment—and let us be honest with this body, it will probably be defeated and even if it passed it would not carry in the House of Representatives—I intend, and I would like to notify the distinguished chairman of the Appropriations Committee at this time, I intend to bring up the line-item veto again. I do not expect to succeed this time, but I intend to bring up the line-item veto until my term of service in this body has expired or we get it done, because it is unconscionable what we are doing to America.

About twenty cents out of every dollar that we collect in taxes will not go to provide housing for a single homeless person or for a meal for a single hungry child. It will pay the interest on the debt that we have been accruing. I would also like to know how in the world we are going to be competitive in this world when we are spending so much of our Federal budget to simply pay the interest on the debt we have accrued from spending out of an empty pocket.

Mr. President, the pork barrel spending habit of Congress has not decreased. It has increased. I note an article in last week's Washington Post which indicated that there was a \$41 million line-item appropriation for research projects to a school that has a total annual budget of \$14 million.

Mr. President, it cannot go on. It cannot go on. Pork barrel spending has got to be stopped and it has got to be stopped by a combination of things, in-

cluding a line-item veto and a balanced budget amendment to the Constitution.

I would like to congratulate my friend from Oklahoma for his valiant efforts over these many years. I intend to stay with him and others in this effort to enact a balanced budget amendment to the Constitution.

Mr. President, I hate to be repetitious. But we are fooling ourselves if we do not believe that the American people are fed up with business as usual. We must act. We better start hanging together or we are going to hang separately and, unfortunately, it will be the American people who hang us.

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

The PRESIDING OFFICER. Who yields time?

Mr. SARBANES. Would the chairman yield me some time?

Mr. BYRD. I yield 6 minutes to the distinguished Senator from Maryland.

The PRESIDING OFFICER. The Senator from Maryland, Senator SARBANES, is recognized for up to 6 minutes.

Mr. SARBANES. Would the Chair let me know when I have used 4 minutes of that time?

The PRESIDING OFFICER. The Chair will.

Mr. SARBANES. Mr. President, I took the floor at this point in the debate because I want to respond very directly to the assertion made by the junior Senator from Idaho about testimony by Laurence Tribe before the Senate Budget Committee.

We are going to have to at least pay some due respect to the record in this debate. He cited Tribe as someone who had changed his position, who is now in favor of the balanced budget amendment. That is just not the case. What Tribe said was that he now thinks that the balanced budget amendment, at a conceptual level, could be considered for inclusion in the Constitution—that was on page 2.

Then, on page 3, he says, "But to say that a balanced budget amendment is in theory an appropriate topic for consideration and a suitable goal for Constitution writers is not to say that it should be approved by Congress and sent to the States for ratification." And he then spent the rest of his statement, 26 pages of it, developing why it was not appropriate to have a balanced budget amendment and criticizing the very proposals that are now before us.

I know the junior Senator was searching desperately for some authority for his position. But the authority is certainly not there.

This is what Tribe concludes his testimony with:

For these many reasons, much as I applaud the impulse behind the proposed constitutional amendment and much as I recognize the seriousness of the Nation's budget crisis,

I reluctantly conclude that none of the proposed balanced budget amendments could be included in the Constitution without unacceptable adverse consequences for the separation and distribution of governmental powers and for the integrity of the constitutional structure as a whole.

The PRESIDING OFFICER (Ms. MIKULSKI). The Senator has used 4 minutes.

Mr. SARBANES. I yield myself an additional minute of the 6 minutes.

Mr. SASSER. Will the Senator yield for a question?

Mr. SARBANES. I will, but first let me quote the conclusion again. I hope we can keep this debate where it at least does justice to people who come and testify before the Congress and they are not completely misquoted for a position that is not their position. Now, this is Tribe's conclusion after just being cited a moment ago supposedly for supporting a balanced budget amendment.

I reluctantly conclude that none of the proposed balanced budget amendments could be included in the Constitution without unacceptable adverse consequences for the separation and distribution of governmental powers and for the integrity of the constitutional structure as a whole.

I yield to the Senator.

Mr. SASSER. I thank the Senator for yielding. I just wanted to ask the Senator this question: Was he aware—I will ask my friend from Maryland if he was aware that Prof. Laurence Tribe, of the Harvard Law School, testified before the Senate Budget Committee just a few weeks ago and said this about a balanced budget. And I quote: "A balanced budget amendment would unbalance the Constitution, seriously distort the separation of powers, and undermine the credibility of the Constitution itself as our fundamental law." Was the Senator from Maryland aware that Professor Tribe had made this statement before the Senate Budget Committee a few weeks ago?

Mr. SARBANES. In fact, I was. And the quotes I used came in part from that statement.

The point I am trying to make is how can you take this witness and cite him on the floor in support of the balanced budget amendment. It is completely unfair to the witnesses who testify before the Congress if their meaning is going to be completely misrepresented.

Madam President, I reserve the remainder of my time.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. I yield to the Senator from Maine 2 minutes.

Mr. COHEN. I thank the Senator for yielding.

Madam President, I was not present to hear Laurence Tribe's testimony, but I accept the characterization of my friend from Maryland. Indeed, there is no need for us to quote portions of testimony in order to arrive at a particular conclusion.

As I understand the Senator from Maryland, he is saying Mr. Tribe said it was conceptually possible but in his judgment not advisable to pass such a constitutional amendment because it would have undue consequences in terms of distribution of power.

I would rather place my judgment with that of Thomas Jefferson, who has been quoted several times earlier. Jefferson said that whenever one generation spends money and then taxes another to pay for it, that we are squandering futurity on a massive scale.

It seems to me that is precisely what we have been engaged in, the squandering of the futures of our children on a massive scale.

Mr. Tribe may not have changed his opinion about the need for a constitutional amendment, but I have. I have not supported it in the past but I intend to support the Senator's amendment today. And that is because we have run out of excuses and run out of devices at this point. As difficult as it is, if we are afraid to address this issue head-on today, then you can understand why it is so difficult for us to address many of the underlying issues about how we are going to spend the taxpayers' money in an appropriate fashion.

Amending the U.S. Constitution is not a decision that should be entered into lightly. Indeed, for many years I opposed a balanced budget amendment. I felt that it was unnecessary and that Congress and the President should be able to reduce the deficit without the force of a constitutional requirement. In light of the ballooning deficit, however, it appears as though my hopes were overly optimistic.

The huge Federal budget deficit exemplifies the fundamental problem that besets our Government in the late 20th century—we have become yes men and women and have abandoned our mantle to lead.

More than 200 years ago, James Madison wrote Federalist Paper #10 which both recognized and feared the very quandary we face today: We know the Government should reflect the will of the people, but what should happen when what the people say they want—such as lower taxes along with high benefits and services—is not good for them?

Madison placed his hope in legislators who would "refine the public's views and discern the country's true interest."

It is on this demanding but sensible standard that Congress must be judged as lacking, and where improvement is needed.

The will of the people for the past decade or more has been for low taxes and high public spending. The result has been a conspiracy against future taxpayers. Political leaders have been coconspirators in this crime. We have told the people that they can have

their cake and eat it too. But it is our children's cake that is being eaten.

In the light of our willingness to give the people what they want even if it is not in the country's true interest, it is particularly ironic that the claim is made that politicians are out of touch with the people. In fact, it has been argued that we are too much in touch with the will of the people. Our system is so hypersensitive to every spasm and twitch of public desire that we have overcommitted the Government to many goals that are overlapping, contradictory, or foolhardy.

In becoming yes men and women, we have too often forsaken our duty to lead. The captain of a ship does not poll his crew every time he needs to make a decision. The ship's captain, like any leader, is judged on his decisionmaking ability. A good captain is judged not on the popularity of his decisions but on the correctness of his decisions.

Unfortunately, the artful balance which James Madison envisioned between observing the wishes of the public and promoting an overall concept of the national good has been fractured nearly beyond recognition. Instead of acknowledging and respecting public opinion, Congress too often worships it.

We are too often unwilling to say no to well-organized and even well-meaning special interest groups whose political clout, as we all know too well, is replacing that of political parties.

We—not just elected leaders, but everyone—need to fundamentally adjust the way we conduct the public's business.

Those of us in Congress have to be willing to tell the American people what they need to know, not just what they want to hear. Churchill reminded us how difficult it is to look up to those who hold an ear to the ground and a finger in the wind.

It should make us very queasy to look at the mountain of debt we are passing along to our children and their children. By our actions and choices, we are jeopardizing the future of our children. Our debt-financed consumption binge will lower future economic growth and, therefore, future standards of living. The question before us is whether we address the problem now or delay action and exacerbate the problem.

We are faced with a classic "pay me now or pay me later" situation. As the recent GAO report on the deficit pointed out, "[T]he key question facing policymakers is not whether to undertake major deficit reduction, but when and how."

The balanced budget amendment answers the question of when—now. Deciding on the "how" will not be easy, but it will only get more difficult with time. We should take a lesson from the savings and loan experience. Early and decisive action on that problem could

have saved billions of dollars for the American taxpayer. By the same token, reducing the deficit now will save billions of dollars over the long term.

To reduce the deficit, we must seriously consider changes that have long been thought politically suicidal.

We must make vertical cuts in Government spending. There are plenty of programs that, despite pleasant titles and laudable goals, have not met their objectives. We need to shift these resources into programs, like Head Start, R&D programs and infrastructure, where the rate of return on public investment is demonstrable.

We must closely examine and curtail the growth of so-called entitlement programs which have become deeply ingrained and interwoven into the fabric of American life, and make some tough choices about what we want and what we can afford.

After cutting spending wherever possible, new revenues will also likely be necessary. It is critical, however, that these new revenues go to deficit reduction and not to fund additional Government programs with questionable results.

The deficit is the single most damaging problem in our economy today. Our economy suffers from a lack of savings and a lack of investment. Both deficiencies are caused by excessive public borrowing. We seem completely unable to come to terms with this deficit. Despite its limitations, I think a constitutional amendment will force us to come to grips with the deficit before it gets any worse.

I firmly hope that a balanced budget amendment will mark a new beginning—a point at which we say, "Enough is enough." A constitutional amendment will hold Congress' and the administration's feet to the fire in a way that neither the Gramm-Rudman-Hollings law nor the 1990 Deficit Reduction Act were able to. Congress and the President will not be able to circumvent the Constitution the way it has these statutes.

I fully agree that a balanced budget amendment is no substitute for the willingness of Congress and the President to make the tough choices. At a minimum, however, a balanced budget amendment sounds an effective warning shot that business as usual is no longer acceptable. The amendment will force us to make the tough choices that, heretofore, we have been unwilling to make.

To those making alarmist claims that the amendment would force us to double taxes or shut down the Government, I would make two points:

First, no one expects us to eliminate a \$350 billion deficit in 1 year. Suggesting that a balanced budget amendment would require this is disingenuous to say the least. The budget did not get \$350 billion out of line in 1 year, and no

reasonable person expects us to cure the problem in 1 year. What is critical, however, is that we begin in earnest to reduce the deficit. Unfortunately, the deficit continues to grow rather than shrink.

Second, the amendment would still permit deficit spending if a three-fifths majority in each House agrees to do so. If some of the scenarios that some people are predicting were to come to fruition, Congress and the President would have the flexibility to borrow funds. However, I would like to re-emphasize that I do not believe that a balanced budget amendment would cause the Federal sky to fall as some suggest.

I am not suggesting that we can reduce the deficit without some sacrifice. The reason we have a deficit in the first place is because Congress and the President have told the American people that they can have both lower taxes and more government. The word "sacrifice" has been banned from the political lexicon. It must reappear if we are to ever make serious progress in reducing the deficit.

By the same token, however, I do not think the pain of spending cuts will require the level of sacrifice that some suggest. Over the past 2 years, many States have been forced to cut back government services. While in some cases, these cuts have been too abrupt and too painful, in many other cases, the cuts have made State governments more efficient. Many States found that, when forced to, they could do more with less money. I think the Federal Government is simply going to have to go through the same process.

I cannot close without noting the irony of many of the arguments that have been offered against the amendment. In the same breath that some argue that the amendment is a gimmick that won't work, they argue that it will be disastrous because it will work. Interest group after interest group has descended upon Washington to testify as to how terrible a balanced budget amendment would be. But if you listen closely to them, they are not simply arguing against the constitutional amendment, they are arguing against a balanced budget—period. Perhaps a constitutional amendment is a less than perfect remedy, but I have no sympathy for the argument that we should not balance the budget.

Some opponents of the amendment have also suggested that this is just an easy political vote. On the contrary, this is a very difficult vote—as the defeat of this amendment in the House recently demonstrates. The easy votes have been the ones we've been casting around here for the past decade or more where we buy now and pay later. The easy thing to do is to satisfy the wants of today's voters at the expense of tomorrow's. A balanced budget amendment will put an end to those kinds of easy votes.

The burden of the budget deficit is great. Unfortunately, the long-term costs of maintaining the deficit are less appreciated than the short-term costs of eliminating the deficit. As painful as it is to tackle the deficit today, it will be even more difficult to address this problem down the road. I urge my colleagues to support the balanced budget amendment so that we may get on with the work at hand.

Mr. NICKLES. I thank my friend and colleague.

Mr. CRANSTON. Will the Senator from West Virginia yield 2 minutes to the Senator from California?

Mr. BYRD. Yes; I yield 2 minutes to the Senator from California.

Mr. CRANSTON. I thank the President pro tempore and the chairman of the Appropriations Committee, who knows more about the budget than almost any person who has ever served in the U.S. Senate.

The choice before us today is really a choice between a symbol and a concrete plan. A constitutional amendment that would be enacted perhaps some time in the future would do nothing about balancing the budget now, and I believe would create chaos if it ever came into play, drag the courts into the matter of balancing the budget, and have people holding high positions in our court system making decisions about what taxes to levy or not levy, to cancel or not cancel. That is not something the American people really want.

The alternative is the amendment offered by the Senator from West Virginia, which is a concrete plan that would require action now, this year, not some time off in the future, to begin the process of balancing our budget.

That requires the President of the United States to submit a plan to bring about a balanced budget a few years hence. But that plan must be submitted in September of this year to the Congress and through the Congress to the people. Then we can proceed to consider that plan, adopt it, modify it, reject it if that was our will.

Presumably it would be a plan we could work over and adopt this year and we would then set in motion this year—not some time in the future, as the constitutional amendment would propose, not some time perhaps on beyond the year 2000, when we would finally achieve a balanced budget. The proposal by the Senator from West Virginia would begin the process this year that would bring about a balanced budget by the year 1998.

For those reasons and many, many more, some of which I have expressed upon this floor upon other occasions, I support and urge support for the amendment now pending.

The PRESIDING OFFICER. Who yields time? The Senator from Oklahoma.

Mr. NICKLES. Madam President, I yield the Senator from Washington 5 minutes.

The PRESIDING OFFICER. The Senator from Washington may proceed.

Mr. GORTON. Madam President, late last evening at a time in which the Senate was not operating under time constraints on individual remarks, I spoke in some detail on this issue. I had examined with some care the arguments over the course of the last several weeks presented by the distinguished President pro tempore and the Senators from Maryland and Tennessee who were on this floor against this constitutional amendment and attempted to deal with each of what I consider to be six relatively distinct arguments in opposition.

I have not asked my colleague from Oklahoma for sufficient time to go through each of those arguments again and, therefore, will attempt to consolidate those arguments against the amendment.

There is a paradox, as we have heard by careful listening to the Senator from California who preceded me, in the arguments of the opponents of the constitutional amendment. On the one hand the opponents claim that the amendment is nothing more than a gimmick which will not work but serve only to delay some mythical desire on the part of this Senate to deal with balancing the budget immediately. These opponents completely disregard the history of the last 15 or 20 years which showed that immediacy is certainly a commodity greatly lacking in our approach toward the budget deficit.

The opposite argument, of course, as reflected by the readings from Professor Tribe, is that this represents a profound and basic change in the balance of power among the three elements of the Government in the United States and, therefore, is not to be trusted. It is to that argument I wish to refer for just a relatively short period of time.

That argument, Madam President, is a valid argument. In fact, this constitutional amendment would change the dynamics by which spending decisions are made in the Congress of the United States and by the President of the United States. It is, therefore, a valid argument if you like the status quo. If you are not disturbed by a trillion debt or a \$400 billion deficit, if you are comfortable with the way in which the Government of the United States has dealt with its budgetary priorities, then by all means vote in favor of this amendment which kills the constitutional amendment itself, and against the Nickles amendment.

But, if you feel, as this Senator has come to feel in company with the Senator from Maine, who previously opposed this kind of approach—if you feel the status quo is not working, that in fact it is a drastic change which is necessary in order to be responsible to

ourselves and to our children and to our grandchildren, then by all means take the very arguments in opposition to this constitutional amendment and use them to decide that in fact we should vote for it.

We do need a drastic change, Madam President. We do need a different approach. We do need the discipline which has been so strikingly absent from our deliberations over the course of more than a decade—perhaps more than two decades. I regret to say, having changed my mind on this subject, that that discipline, that change of attitudes, will only take place as and when we do pass this constitutional amendment, submit it to the States of the United States, and have it ratified by 38 of those States.

The PRESIDING OFFICER. Who yields time?

Mr. SASSER. Will the distinguished President pro tempore yield me 15 minutes?

Mr. BYRD. I am glad to do so. Madam President, I yield 15 minutes to the distinguished senior Senator from Tennessee [Mr. SASSER].

Mr. SASSER. Madam President, I thank the President pro tempore.

We have heard a lot of arguments here this afternoon in favor of this so-called constitutional amendment to balance the budget. But I think we ought to lay the cards on the table here and realize that this effort is motivated by something other than civic zeal, as its proponents would have you believe.

Doing that is not difficult. I begin by referring my colleagues to a story in last week's Washington Post. In that story, an unnamed White House official says the following about the motives that are at work here, surrounding this abortive effort to pass a constitutional amendment.

The White House official at that time, speaking of the efforts of the junior Senator from Texas with regard to a constitutional amendment to balance the budget, said: "He has decided he wants the Republicans to score points in a moot exercise of having the Senate Democrats vote against a balanced budget right before their convention."

What could be clearer than that? That is from the President's people inside the White House talking about the director of the Republican Senate Campaign Committee.

It is a remark that should confirm with the American people what this really is. Why, it is purely a political diversion, a deflection, if you will, of attention from the true problem. And the Senate of the United States has wasted a week of very valuable legislative time in this rather adolescent exercise in political gamesmanship.

The junior Senator from Texas lateraled the ball off after this story appeared in the Washington Post and others on his side of the aisle were the recipients of that lateral.

The minority is simply looking for a way to cast political blame for deficits on the Congress.

The distinguished President pro tempore, Senator BYRD of West Virginia, has proposed an amendment that is structured to add balance, to highlight the vacuum in executive leadership that has really been central to creating the deficit problem. It is for that reason that the amendment of the distinguished President pro tempore is so instructive, and I submit to my colleagues so very necessary.

Madam President, it has been discussed on the floor of this Chamber before by very able Senators tracing the roots of the deficit problem which are now more than a decade old. But I think it is instructive to recover some of that ground this afternoon.

They go back first and foremost to the largest single tax cut in the history of this country. They go back to the largest peacetime military buildup in the history of this country and, lastly and more recently, to the longest period of economic stagnation since the days of Herbert Hoover. Those are the three items that bring us to these horrendous deficits that we have today.

The economic stagnation, the monstrous tax cut of 1981, the largest peacetime military buildup in history, that is the recipe for the \$372 billion we will have in fiscal year 1992 and those are the ingredients of nearly \$4 trillion in national indebtedness.

Madam President, I would like to take us back to 1981. And it is instructive that some of the same voices that were so eloquent in their description of the miracles of supply-side economics in 1981 are the same ones who are urging on this Senate today a so-called balanced budget or an amendment to balance the budget to the Constitution.

Using the numbers that were produced by the Office of Management and Budget, President Ronald Reagan, by 1989, the 1981 tax cut had cost the U.S. Treasury \$1.4 trillion in lost revenues during the 1980's.

My friend from Oklahoma has produced a chart over there of the gross Federal debt. I suspect that his chart will track just precisely with the chart that I have here today.

Today the administration is so queasy about the massive revenue hemorrhage that it stopped updating the estimates of the accrued losses from the 1981 tax cut. But the Budget Committee calculates the losses to date to total about \$2 trillion. These figures, Madam President, do not include interest costs which would add several hundred billion dollars to the cost of the 1981 tax cut which was the hallmark, the symbol, of the supply-side experiment that turned out to be a surprise-disaster.

A revenue loss of this magnitude creates an instant, sizable, and ongoing problem that we are wrestling with

today called debt service. When you run up these massive deficits, you have to borrow money to cover them and you have to pay interest on that money.

Let us go back to the time when this economy was growing with some modest amount of vigor, and to find that time you have to go back to a period of between 1987 and 1989. During that period, between 1987 and 1989, the Federal Government actually spent \$1 billion less on programs than it received in revenues. So in the period from 1987 to 1989, if we had not had to service this massive indebtedness, the budget would have been balanced and we would have had a \$1 billion surplus.

Mr. SARBANES. Will the Senator yield?

Mr. SASSER. I will be pleased to yield to my friend from Maryland.

Mr. SARBANES. Madam President, I just want to point out on this chart the additions to the Federal debt which then requires this tremendous debt service to which the very able chairman of the Budget Committee has been referring. This chart shows the additions to the Federal debt—President Kennedy, President Johnson, President Nixon, President Ford, President Carter. Then you get a jump in the first term of President Reagan and a further jump in the second term of President Reagan. These are additions to the debt which then have to be paid for in debt service. This large increase is the additions to the debt in the first term of President Bush and this is what the administration is projecting by their own budget submission for the second term of President Bush.

This amendment offered by the distinguished President pro tempore requires a plan submitted for this not to happen, but this chart only demonstrates what the very able Senator is pointing out, the exponential growth that has taken place in the debt under the two terms of President Reagan and now even more so into the term of President Bush projected to grow even more in the next term.

Mr. SASSER. I thank my friend from Maryland, and he points out, I think, with great clarity, the explosion, virtual explosion, in the national debt that has occurred during the periods that President Reagan and President Bush have been in the White House.

That is precisely what the President pro tempore's effort is aimed at. That is precisely what his amendment does: To require the Chief Executive Officer of this Government to provide a balanced budget and a track for balancing the budget over the next 5 years, to get away from this disaster that has occurred over the past 12 years that is illustrated by the chart of the able Senator from Maryland which shows this debt exploding during the first two terms of Ronald Reagan and getting worse under President George Bush.

We are at the point now where even in years of potential surplus when the economy is growing and doing well, we are still having to pay heavily for the sins of the supply-side experiment earlier in this decade.

We are still paying a very heavy price for that folly.

If I could call my colleagues' attention to this chart that represents the 1981 tax cut, you will note that it became effective in 1982 and, as you see, the loss in revenue rose to \$1.4 trillion just by 1989 alone, and that does not include what has happened in the last 3 years.

Madame President, I will get to the second element that has produced this enormous deficit, and that is the growth in military spending that occurred during the decade of the 1980's and continued until just a very short period ago.

This chart demonstrates the growth in defense spending versus the growth in the deficit from 1981 to 1990.

The blue in the chart represents the growth in defense spending. The red represents the growth in the deficit. And we find that increases in military spending over the 10 years from 1981 to 1990 totaled \$1.140 trillion while increases in the deficit over the same period totaled \$1.170 trillion, or roughly the same.

As we look at this chart in the out-years, in some years we find that defense spending is staying almost level and actually outstripping growth of the deficit. In 1987, we find that defense spending grew \$148 billion over where it was in 1980 while the deficit grew \$97 billion in that particular year. So the growth in defense spending tracks very evenly with the growth in the deficit over that 10-year period.

I suppose you could make the point we might have been able to survive the great tax cut of 1981, the so-called supply-side tax cut, without incurring these enormous deficits if at the same time we are not involved in this very enormous increase in defense spending.

The 10-year totals show that the largest peacetime military buildup in our history was simply not paid for. It was put on the cuff, charged to the future, charged to the children that our friends on the other side of the aisle seem to be so concerned about at this very late date.

Madam President, any discussions of the origins of our deficit must also take into account the imperfect science of predicting economic growth. An increase in the revenue base due to a growing economy, that was the centerpiece of the supply-side doctrine. The temptation to exaggerate the case was overwhelming.

The PRESIDING OFFICER. The Senator has used the time allocated to him.

Mr. SASSER. I ask my friend from West Virginia if I might have an addi-

tional 5 minutes? Is the Senator running short on time?

Mr. BYRD. Madam President, I yield 5 additional minutes.

The PRESIDING OFFICER. The Senator from Tennessee may proceed.

Mr. SASSER. These inflated growth predictions, predictions in the growth of the economy that were at the heart of the supply-side era, came to be known as the original rosy scenario. I just call my colleagues' attention to the predictions that were made during those years versus the actual performance. We see in the fourth quarter of 1981 they were predicting growth of 4 percent. You actually had negative growth of 5.3 percent.

Mr. SARBANES. Will the Senator yield? Were these predictions made by the Office of Management and Budget, by the administration at the time?

Mr. SASSER. Yes, they were made by Mr. David Stockman at that time. And he confessed to this game in his now classic confessional entitled "The Triumph of Politics." In the words of Mr. Stockman,

The difference between the explosion of real growth in 1982 that we forecast and the collapse which actually occurred is what sent all the budget numbers spinning.

So I think Mr. Stockman would agree with the assessment that they have been spinning ever since.

So, Madam President, that is where we have been. Those are the forces that have given us these intractable deficits—a great giveaway at the start of this decade by the Reagan administration primarily to the wealthiest of Americans that cost the Treasury \$2 billion by the end of this decade, a \$1.140 trillion military buildup over 10 years—that is \$1.140 trillion more than we were spending in 1980—that not so coincidentally matched the increase in the deficit in that period, and now, today, the long, hard period of economic stagnation, the longest period of economic stagnation we have seen since the days of Herbert Hoover.

Madam President, all of these factors are profound reasons for mandating the Presidential accountability that comes to annual budgeting which is in the amendment of the distinguished President pro tempore.

As we all know, balanced Presidential budgets have been a rarity, in fact nonexistent in the Reagan-Bush era.

Now, let us take the administration's current budget proposal on the subject of fiscal prudence and deficit reduction. It is grossly deficient. According to the nonpartisan Congressional Budget Office, the administration's 1993 budget submission achieves just \$8 billion in deficit reduction over 5 years. That is not even 2 percent of what we would have to do to balance the budget.

In the face of that reality, I am convinced that enforced Presidential lead-

ership on this issue is absolutely a condition precedent to the resolution of the deficit crisis. We are simply not going to get it down with mechanical devices, in my judgment. Waiving a constitutional amendment like a magic wand may fool some, but it is not going to solve our Nation's most serious problems.

The amendment offered by the distinguished President pro tempore does something about the deficit now. Those who are proposing this constitutional amendment to balance the budget are putting it off for another 6 to 7 years.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SASSER. One additional minute.

Mr. BYRD. I yield 1 additional minute.

Mr. SASSER. I submit, Madam President, that the economy of this country simply cannot survive if we are going to wait another 5, 6, or 7 years with \$250, \$350, \$400 billion deficits every year before we take steps to deal with the deficit.

I am proud to support the amendment of my friend from West Virginia. I think it is a splendid amendment that says, let us get on with the job right now and let us not put it off another day. Certainly let us not put it off for 6 or 7 years, which is what a constitutional amendment to balance the budget would do.

I thank the Chair and the distinguished President pro tempore.

Mr. NICKLES. Madam President, how much time remains?

The PRESIDING OFFICER. The Senator from Oklahoma has 35 minutes.

Mr. NICKLES. I yield to my friend and colleague, Senator SYMMS, from Idaho, 4 minutes.

Mr. SYMMS. Madam President, I thank the Senator for yielding 4 minutes.

Madam President, I must comment on the remarks that I just heard from the distinguished chairman of the Budget Committee, the Senator from Tennessee. In my opinion, I have never heard so much hand-wringing pessimism about the situation we are in, and a revisionist view of what happened in the eighties. I do not know where the Senator was, but what I saw happen in the eighties was a restoration of the United States of America. We now have won the cold war; the evil empire has collapsed.

We are now starting out on a new venture in the nineties, and we are going into the end of the century that offers the greatest opportunity for humankind that we have ever seen in our lifetime.

The other accomplishment of the eighties was an economy built here in the United States, on top of the one we already had, equal to the whole economy of Germany. Twenty million jobs were created, the standard of living across the board went up, we got rid of

the days of double-digit interest rates and double-digit inflation rates. We got rid of the fear people held, looking into the future, that they had coming into the eighties.

We have failed in controlling spending. And I will just say to my colleague, there were opportunities to fix that, but the majority in the Congress would not go along with it. Senator HOLLINGS offered an amendment in 1981 to revise the cost-of-living adjustments. I supported him in the Budget Committee, and I supported him here on the floor. We would have still given people COLA increases but we would not have given massive increases that have consumed our budget in the entitlement spending programs. And, had we adopted that amendment we could have balanced the budget. We had a chance in 1983 when this Senator offered revisions of the entitlement programs, and they were voted down resoundingly here on the floor. So we had our chances.

Revenues have gone up since 1982 from about \$600 billion to almost \$1.1 trillion, but spending has gone from about \$700 billion up to \$1.5 trillion. That is what is wrong. Spending has outstripped growth of revenues by over 20 percent with revenues ample to run all the government we want.

So why are we now here on the floor? I just say this: I would like to praise my colleagues, Senator NICKLES from Oklahoma, my colleague Senator CRAIG from Idaho, Senator SEYMOUR from California; and others who are pushing this amendment.

I hope that the people will vote against the amendment of the distinguished President pro tempore because, if you vote for his amendment, you are voting for bigger government, higher taxes, and giving the people of America less choice and fewer chances to spend their own hard earned money and make their own choices, to decide for themselves how they should spend their worth, their savings, their money, their investment.

This is very simple to understand. If you want more government, vote for the Byrd amendment. If you would like to get this deficit under control and have a constitutional amendment that restrains the growth of government, and restrains the increased revenues to Treasury, then vote against my distinguished colleague Senator BYRD's amendment.

I would like to pay special thanks to my distinguished junior colleague from Idaho, who has been working on this issue for 10 years both in the other body and now in this body. It appears it has come to a point where we finally are going to come close to getting a vote on the balanced budget amendment. I say "close" because the distinguished majority leader was on the floor a few moments ago saying that 56 times, I believe that is correct, the

Senator from Oklahoma voted against cloture. I say more power to him because 9 out of 10 times in this Congress whatever Congress is doing is usually bad for the taxpayers, and poor for the country. It usually means more government, more regulations, and less freedom for our people.

This is one time when you may have an opportunity to vote for cloture and give the people an opportunity to seek restraint on the growth of Government, and chain the Congress down with a constitutional amendment.

Madam President, to repeat, I rise in support of this balanced budget constitutional amendment. Balancing the budget is one of the most important issues facing our country. How we deal with the deficit today will determine how well our children will live tomorrow. I would like to thank all of my colleagues who have dedicated so much time and energy to making the balanced budget amendment a reality. My special appreciation goes to the junior Senator from my State of Idaho, Senator CRAIG, for his tenacious effort.

This year, the annual budget deficit will be close to \$400 billion. That will push the total Federal debt to \$4 trillion in 1992. In the next fiscal year, the interest on this debt alone will be the largest Government expenditure.

This is money that will not be spent on the poor, nor on education, nor on infrastructure. Rather this form of Government redistribution of wealth will be paid to those who are able to buy Government bills.

The Congress passed Gramm-Rudman-Hollings in an attempt to eliminate the deficit. But the Congress decided not to meet the Gramm-Rudman-Hollings deficit targets and instead let future generations grapple balancing the budget. Well, if Congress lets the deficit continue at its current pace, the result will be the bankrupting of the Government, jeopardizing of private wealth, financial crisis, and high inflation.

This will do more than threaten spending for critical domestic programs; it will undermine the national economy and leave the entire population far worse than they are today.

Economists will argue a balanced budget amendment has no economic rationale. But economists do not understand the politics behind budgeting and that the Congress feels it is their obligation to bring home funding to their constituents. A balanced budget amendment is the best, and perhaps only, political means to counter this congressional tendency.

Thomas Jefferson wrote "the question whether one generation has the right to bind another by the deficit it imposes is a question of such consequence as to place it among the fundamental principles of government. We should consider ourselves unauthorized to saddle posterity with our debts, and

morally bound to pay them ourselves." In other words, it is unconstitutional to tax future generations because of their present lack of representation.

Jefferson also said the Constitution must change as society changes. The Constitution grants Congress the power of the purse, but Congress has refused its fundamental priority of protecting our national solvency. Perhaps the Constitution should recognize some checks on the Congress' power of the purse are necessary.

The cutbacks that would be required by a balanced budget amendment are a political nightmare, but they are an economic necessity. And in the end, that is what good government is all about; making tough choices for the good of the Nation.

I would like to discuss the fallacy of the current economic philosophy. Thirty years ago, an assortment of politicians, economists, and businessmen discarded the conventional economic wisdom.

The beliefs held by Eisenhower and the Republican Party, that low inflation and balanced budgets were something to seek every year, were decried as mercantilist—relics of the past which stunted growth.

The new thinking of the 1960's was that Government programs could improve the overall well-being of Americans and because of this, there was no need to pay for them. Small deficits sprouted. Eventually, small deficits became accepted by legislators. This allowed more programs to be started without the funds to pay for them. Large deficits soon became the norm.

Thirty years ago, economists told legislators not to worry about the growing deficits. In the long-run deficit spending will spur the economy and it all will work out. Now, its the long-run and we have an enormous debt. Now, the economists realize the damage continuous deficits do.

But the prevailing economic philosophy refuses to die. Economists will argue big deficits are bad, yet small ones are needed to spur the economy and fund needed programs.

The columnist P.J. O'Rourke commented that Republicans are like God: "middle-aged, patriarchal rather than paternal, a great believer in rules and regulations, and He holds men strictly accountable for their actions.

Democrats are like Santa Claus: non-threatening, cheerful, generous; He knows who's been naughty and who's been nice, but never does anything about it; He gives everyone everything they want without a quid pro quo. Santa Claus is preferable to God in every way but one: There is no such thing as Santa Claus.

I more than recognize not all Democrats believe Santa Claus can solve all the problems.

But its time to throw out the failed economic thinking of the past 30 years.

Its time to realize the Government is not Santa Claus; Government cannot create economic growth and universal well-being. Only people and business can.

I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD. I yield 8 minutes to the distinguished senior Senator from New York [Mr. MOYNIHAN].

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Madam President, I thank the President pro tempore. I would like to address a subject which has not yet reached our counsel, which it appears to me we ought to do, and that has to do with the inflationary bias which the present sequence of events is bringing about.

On Thursday, Madam President, I raised the issue why do we think there is any systemic problem in American Government that we cannot control spending and therefore have to amend the Constitution? We control spending very carefully in this country.

Thirty years ago, in the Kennedy administration, what was thought to be our biggest problem was something called fiscal drag. As the economy would come out of a recession, revenues would grow, but the Congress would not spend the money and, therefore, we would not quite reach full employment.

I noted, in 1929, the Federal debt as a percent of GDP was 55 percent. It made its way down—after going up in World War II, to 34 percent in 1979, and then doubled. Next year it will be 72.9 percent; doubled for no evident reason, excepting we know the reason. Mr. Stockman has told us. They set out deliberately to have a deficit, thinking on some theory that it would cut spending; others, that supply-side economics would raise revenue.

Mr. Stockman, while in office, realized this was not happening and began to plead with the President and his associates—he was head of OMB—to increase revenues, to do whatever was necessary to keep the deficit from getting out of control. He failed.

In his book on the failure of the Reagan revolution, he wrote—this is not an unimportant statement—about the refusal to recognize what was going on by 1983-84. He said it was a "willful act of ignorance and grotesque irresponsibility." He said.

In the entire 20th century history of the Nation there has been nothing to rival it.

I remarked that many of the reviewers of Mr. Stockman's memoirs seem to be more interested in his relations with the First Lady than this central fact, but there was one exception. David P. Calleo, professor at the University of Maryland, probably well known to the distinguished Presiding Officer, had this to say. He said:

Few recent memoirs depict so vividly the incompetence of people in high places, or deflate so brutally expectations of rational governance. His (Stockman's) conclusion about the essential frivolity of the Reagan fiscal policy is difficult to fault. Economists can quibble over the size and significance of past Federal deficits. But it is hard to see deficits on the present scale as anything other than the breakdown of rational government. For Mr. Stockman, the "Reagan revolution" was supposed to mean the restoration of free market capitalism through a purging of the waste and boondoggling of the postwar welfare state. Instead, as he concedes, the Administration's neoconservative rhetoric has merely been a smoke screen for a policy that has, in fact, severely crippled the free market with an impossible load of debt.

Now this, Madam President:

Moreover, while the Reaganites have heartily chanted the appropriate incantations, not one appears to have understood a rather fundamental conservative home truth: The free market—like all other kinds of freedoms—requires an orderly framework sustained by the state and a reasonable degree of self-discipline from its participants.

Above all; for a market to work efficiently—that is, for individuals and firms to make rational market decisions—

Here, I would hope the President pro tempore, my distinguished friend from Texas, and others might hear me—

for individuals and firms to make rational market decisions—money must have a stable value. To create today's fiscal climate of colossal, wanton, and unproductive indebtedness is to endow the American political economy with an almost irresistible propensity for inflation. Societies can live well enough with inflation, as governments control and manipulate to stave off disaster, but a free market cannot.

Madam President, think about that. In the last few months, we have heard increasing references to the condition of the United States eerily resembling that of the Weimar Republic, when irresistible propensities for inflation destroys a promising democracy.

G.K. Chesterton once spoke of "the prophetic past"—that is a nice phrase—the prophetic past. We are told what happens to nations that let inflation go wild.

Increasingly we hear allusions to the Weimar past in discussions of the American present. I raised the subject myself in a commencement address at the University of San Francisco just a few weeks ago. Just today a superb issue of the New Leader arrived with a review by Richard Rorty of a new work on American politics by John Patrick Diggins. Professor Rorty writes of "Developments reminiscent of Weimar—steadily increasing middle-class insecurity combined with a steadily increasing willingness to scapegoat racial groups (not just African-Americans but Asian-Americans as well). * * * " All we need is a Weimar inflation of the kind that destroyed the legitimacy of that once promising democracy. Inflation is what did it. And after a certain point, the only way a government gets rid of its debt is to

monetize its debt, which is to say to debase the currency.

Lenin once used the same term for how to destroy capitalism—debauch the currency. That is the situation we have created for ourselves. And it will become inexorable. This was foreseen 6 years ago. The prophetic past is a long notion, and it could be closer than we know.

The Senator from West Virginia says one thing: Return to sanity. Describe to the Nation and propose to the Congress what a balanced budget would be. Give it to us; we can do it.

Failing that, failing this avoidance of truth, this leakage of reality that has slipped into our affairs, and in 5 years time they may be beyond rational control, whereupon irrational purposes, irrational means, and irrational men may come to power.

Mr. NICKLES. Madam President, how much time do we have remaining?

The PRESIDING OFFICER. The Senator has 29 minutes.

Mr. NICKLES. I yield Senator COATS 5 minutes.

Mr. COATS. Madam President, the Senate of the United States has before it today a simple question: Should the Congress be required by the Constitution to balance the budget?

The American people have, or at least should have a very keen interest in the outcome of this question. The decision is urgent, because our deficit is climbing at an alarming rate. It is one of the most fundamental issues I think the Congress ought to be deciding.

Thomas Jefferson noted:

The question of whether one generation has the right to bend another by the deficit it imposes is a question of such consequence as to place it among the fundamental principles of government. We should consider ourselves unauthorized to saddle posterity with our debts, and be morally bound to pay them ourselves.

It is that fundamental principle which we are seeking to debate and seeking to vote on. Unfortunately, Madam President, what we have before us today is not a direct vote on that very fundamental principle of government. We have concocted a Byzantine procedure, described roughly as a "gentleman's agreement," which does everything in its power to prevent this Senate from voting up or down, from recording themselves as yea or nay on a simple question of balancing the Federal budget.

If there is a Member of this body who can understand the so-called gentleman's agreement which was reached last week and understand how all that works, they should immediately apply for the job of Parliamentarian. I hope the Parliamentarian understands what we did. This Senator does not.

All I know is that the bottom line is that everything that was concocted last week was designed for the purpose of keeping us from voting a straight up

or down on a balanced budget amendment. And we have before us now the Byrd amendment which, if it passes, will preclude this body from voting in this session up or down on a balanced budget amendment.

We have avoided a clear vote on that. An injunction as old as the Scriptures says:

Let your yeas be yea, and your nays be nay.

That will not take place in this body today. Even if the Byrd amendment is defeated, we will then move to another procedural device called cloture, and probably not achieve enough votes to break that cloture, and this amendment will fall. The public will not have accountability on the part of its elected Senators as to where we stand on the balanced budget amendment.

Once again, we will have confused the general public. Once again, Members from both sides will be able to go home and explain a vote, but will not be able to answer the fundamental question: How did you vote on the Senate floor when the principle question of Government was presented to you? Did you vote "yea" or "nay"?

I have heard people come to the floor of the House and Senate, pound the pulpit, and call for courage: If only we had the courage—they said—we would not need to tinker with the Constitution. Courage is the only thing we lack in balancing the budget and dealing with our deficit.

Well, I ask you, Madam President, is the kind of deception that has been used to concoct a procedure whereby we will not have a direct vote on a balanced budget amendment courage? Is it courage to stop meaningful change with parliamentary tricks?

I think what we are doing is trying to confuse the public in a fog of maneuvering. We have lost the public trust. It is no wonder that we have lost it. I do not see courage—maybe complacency; maybe fear. I do not see bravery. Propose real reform, and Congress flees in terror. Propose a balanced budget amendment, term limits, line-item veto, and Congress does everything in its power to avoid addressing the fundamental questions.

Is it courage to keep every bit of our power to shower States with useless pork, to give money to every special interest, money we do not have? Is it courage to fight every reform that might possibly make a difference?

I do not think there is courage in defending the unworkable status quo, or grabbing that extra bit of cake, or trying to boldly stay where everyone has stayed before.

Courage is not an elastic term. It means sacrifice for a higher goal, and this Congress seems unwilling to sacrifice anything, none of its abused power, none of its deficit spending, none of its unreasonable pork, even when our future is at stake.

This I suggest, Madam President, is not the courage that we need.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Madam President, I yield to my friend, the Senator from Texas, 3 minutes.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Madam President, let me begin by propounding a parliamentary inquiry. Under the unanimous-consent agreement now in effect, is it not true that if the Byrd amendment is adopted that the underlying balanced budget amendment to the Constitution which would at that point be amended by the Byrd amendment, must then be withdrawn and leave only the GSE bill, which would then contain neither the balanced budget amendment nor the Byrd amendment?

The PRESIDING OFFICER. That is what the agreement provides for.

Mr. GRAMM. So that if Members vote for the Byrd amendment, they are not in reality voting for an amendment that would be part of the final bill that would be voted on after the Byrd amendment was approved. Is that not the case?

The PRESIDING OFFICER. The Chair is consulting the Parliamentarian to assure there is accuracy and no objection.

If the Byrd amendment is agreed to its content is essentially the same as the GSE bill. So in agreeing to the amendment you do agree to the Byrd amendment and the substance of the GSE bill as it existed before the Nickles amendment was put forth.

Mr. GRAMM. But further, a parliamentary inquiry, Madam President, none of the features in the Byrd amendment related to the President submitting a balanced budget amendment, or those provisions related to Congress acting to move toward a balanced budget would be part of the bill that would remain and upon which we would vote?

The PRESIDING OFFICER. This would not be part of the bill that remains.

Mr. GRAMM. So in reality, under the unanimous-consent agreement, the adoption of the Byrd amendment would have the same effect as the adoption of a motion to table and kill the underlying balanced budget amendment to the Constitution?

The PRESIDING OFFICER. It would have the same effect.

Mr. GRAMM. So, Madam President, I am not going to argue with anybody who says they do not want a balanced budget amendment to the Constitution. That is a fundamental difference as to what kind of vision you have for America's future. If you like the status quo then you are against the balanced budget amendment to the Constitution. I do not like the status quo. I would like to change dramatically American Government.

I would like to start a revolution in American Government to control spending, to balance the budget, so I am for the balanced budget amendment.

But the point I want to make, which is a very important point, is the choice here is not between the Byrd amendment—

The PRESIDING OFFICER (Mr. BRYAN). The Chair will inform the Senator from Texas the 3 minutes allocated to him have expired.

Mr. NICKLES. I yield to the Senator 2 additional minutes.

Mr. GRAMM. So the choice before us here is not a choice between the balanced budget amendment and the Byrd provision related to the President's submitting a balanced budget and Congress acting on it. None of that language under the unanimous-consent agreement will survive in the bill even if the Byrd amendment is adopted. Adoption of the Byrd amendment is effectively exactly equivalent to adoption of a motion to table and kill the balanced budget amendment to the Constitution.

So that if you vote for the Byrd amendment you cannot go back home and say I was for the President's submitting a balanced budget. You cannot say that the impact of my vote was to force the President to submit a balanced budget and to force Congress to act on that budget. That will not be the effect of the adoption of the Byrd amendment, because the unanimous-consent agreement says if the Byrd amendment is adopted, then the underlying balanced budget amendment must be withdrawn and, therefore, in reality a vote for the Byrd amendment has the effect of killing the underlying balanced budget amendment to the Constitution.

So if you are for the balanced budget amendment to the Constitution your vote is very clear. You should vote against the Byrd amendment which is equivalent, under the unanimous-consent agreement, to a motion to table and kill the underlying balanced budget amendment to the Constitution.

So I think the choice is clear. I hope our colleagues will vote against the Byrd amendment. I then hope they will vote for cloture to give us an opportunity to vote on what I believe is the number one issue facing the country, the balanced budget amendment.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD. How much time remains on my side?

The PRESIDING OFFICER. The Senator has 18 minutes and 48 seconds.

Mr. BYRD. How much time remains to the other side?

The PRESIDING OFFICER. Eighteen minutes and three seconds.

Mr. BYRD. I thank the Chair. How much time does the Senator from Michigan wish?

Mr. LEVIN. Eight minutes.

Mr. BYRD. I yield 8 minutes to the distinguished Senator from Michigan [Mr. LEVIN].

The PRESIDING OFFICER. The Senator may proceed.

Mr. LEVIN. Mr. President, I thank my friend from West Virginia.

Like the Senator from Texas I, too, want to change the status quo. It is not acceptable to me. But I oppose the Nickles amendment because I think it will actually worsen the deficit situation rather than help it.

Why will this constitutional amendment be a false step toward deficit reduction?

First of all, during the years prior to the effective date, Members of Congress would be able to point to the constitutional amendment as the sign of Congress' determination to balance the budget, in the future, of course. Many Members of Congress could say, "things may be a mess now but do not worry, things will get fixed up when the Constitution forces the Congress to balance the budget," in the future, of course. But when that future finally arrives, after years and years of more deficits, this balanced budget amendment, so-called, can be easily circumvented.

So, this amendment takes Congress and the President off the hook for many years. But once the amendment is in effect, there is no hook, because of the loopholes in the amendment.

For instance, the committee report that supports this amendment casually notes that the term "fiscal year" in the amendment is intended as a term defined by statute and "has no constitutional standing independent from its statutory definition."

So, when faced, for example, with a budget that is hopelessly out of balance for the normal 12-month timeframe, the President and the Congress may maintain that the path of least resistance is to redefine "fiscal year" to be 11 months or 13 months. Congress could decide to have billions of dollars saved by shortening the fiscal year by 1 day, so that the payday for Federal employees falls into the following fiscal year.

The terms of the amendment would be technically met, the budget would be balanced in the fiscal year, but at the expense of increasing public cynicism and frustration that contributed to the demand for the amendment in the first place. Gimmicks like this are allowed under this amendment, and they were used to partly circumvent the Gramm-Rudman statute which we tried. As long as the constitutional amendment has this soft underbelly that relies on statutory definition for implementation, there is no reason for confidence that its constitutional status will make a difference in the deficit.

Take another example of this flaw in the constitutional amendment before

us, this flaw of relying on Congress to implement the amendment. When speaking of the amendment's requirement that the President propose a budget in which total outlays do not exceed total receipts, the committee report supporting the amendment states, again, apparently with a straight face, "The committee anticipates good faith on the part of the President with respect to projected economic factors."

But what is there about the deficit decade of the 1980's that would give us confidence in the good faith of future administrations' economic forecasts? To the contrary, we always should remember the following passage from Stockman's book, "The Triumph of Politics"—Stockman, President Reagan's budget director—in which he described how the economic forecasts in the first budget submitted by President Reagan were developed to achieve political goal, not economic accuracy. Here is what he said:

Professor Weidenbaum, who was Chairman of the Council of Economic Advisers, "unfurled his scenario."

Someone finally taunted the professor. "What model did this come out of, Murray?"

Weidenbaum glared at this inquisitor a moment and said, "It came right out of here." With that he slapped his belly with both hands. "My visceral computer." He smiled.

Well, what is it in this proposed constitutional amendment that prevents the Weidenbaum visceral computer from reemerging as the President's economic forecasting device? Nothing.

Maybe the proposed constitutional amendment should be modified to add the phrase, "Provided that these estimates allowed herein are not based on Murray Weidenbaum's visceral computer."

Paper deficit reduction through estimates is clearly possible under the actual words of the Nickles amendment itself.

Section 6 of the amendment states:

The Congress shall enforce and implement this amendment by appropriate legislation which may rely on estimates of outlays and receipts.

How amazing it is that the constitutional amendment is offered because of lack of confidence in the Congress when the very language of the amendment relies on Congress to implement it and when there are so many loopholes that are open to a President and the Congress to evade it.

This constitutional amendment will give us an excuse not to act until years from now by its own terms. The history of politics of deficit reduction suggests that Congress and the President would be off the hook until then. And because of the loopholes even after its ratification, there is no hook after that.

The Byrd substitute calls for some Presidential action now, and this action is long overdue. The amendment

offered by the Senator from West Virginia would call on the President to do what he already has the power to do but what he has totally failed to do during his term of office. It would call on the President to submit a plan by September 1 on how he would balance the budget by September of 1998. And it would do so without amending the Constitution.

It would be mighty useful, Mr. President, for the President of the United States to lay out the kind of program cuts and/or revenue increases that he would recommend in order to achieve a balanced budget. By requiring that the President lay out a plan to balance the budget or by at least saying that the President should lay out a plan to balance the budget by September 1, the Byrd substitute would call for a Presidential road map to fiscal responsibility and a healthy dose of that responsibility is long overdue.

Mr. President, if there is any time remaining, I yield back the remainder of my time, and I thank my friend from West Virginia.

Who yields time?

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. I yield my friend and colleague from California, Senator SEYMOUR, 5 minutes.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. SEYMOUR. I thank the Chair.

I would like to address the specific amendment that we are about to vote on because the debate is wandering here, there, and everywhere.

I would like to point out in reading the amendment—it is not lengthy, it is 2½ pages long—on the first page it says, line No. 1, "In lieu of the matter proposed." "In lieu of the matter proposed," Mr. President. The matter that is proposed is the balanced budget amendment.

So the first thing we have to understand about the President pro tempore's amendment is that it is in lieu of the balanced budget amendment.

The second thing I want to point out is that this amendment requires a balanced budget plan on page 2, lines 24 and 25, which directs the President to submit not later than September 2, 1992 a 5-year deficit reduction plan.

I have heard from my colleagues on the opposite side of the aisle, again and again blaming the President for not proposing a balanced budget plan a long time ago and suggesting that if we pass this amendment, he will propose one.

Well, Mr. President, I do not know. Maybe I read some things differently than other Members of the Senate. But here it is. This is the plan. And it has been around for some time. In fact, it is dated May 6, 1992, presented as testimony to the House Committee on the

Budget by Richard Darman, Director of the Office of Management and Budget. This is the President's plan, in fact, to balance the budget in 5 years.

And so what do we get out of this amendment? Nothing; absolutely nothing.

Finally, for those who might be considering voting in support of this amendment, who are concerned about raising taxes on the people of America, and who are particularly concerned about raising taxes in tough economic times—times when you least want to take more dollars out of the taxpayers' pocket. Line 10 of page 3 of this amendment we are about to vote on requires, it does not say you may, it says the plan "shall," "shall consist of increases in revenues." Well, we all know revenue mean taxes.

So I suggest what this amendment is a sort of shell game—and I must applaud the Senator from West Virginia, because this amendment is pure genius, pure genius—because on one hand this amendment suggests that it will get you to a balanced budget by directing the President to do something which he has already done. On the other hand, it does not say to Congress, you have to do anything. You do not have to do a thing. The President, if he should submit this plan the second time in accordance with this amendment, should it pass, the Congress does not have to respond, just as it has not responded to this plan.

You know, Mr. President, as I listen to the blame being spread around: "It is the fault of previous Congresses"; "It is the President's fault"; "No, it is the Democrats' fault"; "No, it is the Republicans' fault." I can't help but be reminded of a group of children.

My wife Judy and I have six children. As many of my colleagues know, I frequently talk about them. This debate reminds me of a time when my wife and I had come home from the grocery store and we noticed, as we drove up in the driveway, that there was a huge hole in the front window. It was obvious to me that a ball had gone through it. Four of our six children were in the family room watching television. I walked in. I do not mind saying I was a bit angry. I said, "Who threw the ball through the window?" And each one of the four kids said, "Not me. I didn't do it. I am not responsible."

And that is what this sounds like to me. "The reason we do not have a balanced budget is not by fault. I did not do it. I am not responsible."

Well, the truth of the matter is, Mr. President, we are not fooling anybody with this amendment. The genius of this amendment is that it really creates a fog.

The PRESIDING OFFICER. The Chair would point out to the Senator from California that the 5 minutes allocated to him have expired.

Mr. NICKLES. Mr. President, I yield the Senator an additional 2 minutes.

The PRESIDING OFFICER. The Senator may proceed.

Mr. SEYMOUR. Thank you, Mr. President.

This amendment is deceptive. It creates a political cover for those who want to say, yes, I voted for something demanding a balanced budget. But it does absolutely nothing. As a matter of fact, as the distinguished Senator from Texas pointed out, should this amendment pass, the fact of the matter is that the balanced budget amendment will be withdrawn and we will proceed to the business of the day.

Let me finally conclude by raising the question, trying to answer it very quickly, what is the magic of a balanced budget amendment. For some people, they seem to think that the Federal Government is something special, that somehow we can continue to have deficit after deficit after deficit and somehow thrive as a competitive nation.

Well, Mr. President, there is no magic. You can only spend more than you bring in for so long whether you are a private citizen; city; county or State; or even the Federal Government, you will be faced with the same problem—and that is where we are headed, into bankruptcy, leaving a rich legacy for our children and grandchildren—one of debt.

In fact, such a large debt that it is projected by the year 2020 at the current rate of spending every man, woman and child will be taxed \$4,000 per year to pay the interest, Mr. President, on this debt, just the interest, \$4,000 per person by the year 2020.

So, Mr. President, the insanity must end. The addiction must be cured. In order to cure this spending addiction, we need restraint, we need self-discipline, and that is why we must pass a balanced budget amendment.

I yield the floor.

Mr. CRAIG. Mr. President, I understand that after I left the floor some time earlier, the Senator from Maryland [Mr. SARBANES] raised a question about a reference I made to Harvard legal scholar Laurence Tribe. I appreciate the Senator's desire for a clarification and I don't want to take up valuable floor time over dueling quotes. We're both right and I'd like to include comments to that effect in the RECORD.

I am well aware that Professor Tribe appeared before the Senate Budget Committee in June as a witness opposed to most of the formulations of the amendment. But I think it's worth far more than a footnote that, in his own words, Professor Tribe has changed his mind about such an amendment at a conceptual level.

He now believes that an amendment requiring balanced budgets is the kind of provision that is appropriate to the Constitution. He now believes that such an amendment would protect the

kinds of rights that are appropriate for Constitutions to protect. He now believes that the deficit-and-debt problem is serious enough to warrant the extraordinary step of considering a constitutional solution. This is a fundamental change of opinion and I stand by my earlier statement that such a change represents the crumbling of an intellectual pillar long—and formerly—lending support to the other side's arguments.

In fact, Professor Tribe said, "I reluctantly conclude that none of the proposed balanced budget amendments could be included in the Constitution without unacceptable adverse consequences * * *."

In the spirit of clarification, I offer for the RECORD the portion of Professor Tribe's testimony from which I earlier quoted.

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

EXCERPT FROM TESTIMONY BY LAURENCE H. TRIBE, TYLER PROFESSOR OF CONSTITUTIONAL LAW, HARVARD LAW SCHOOL, BEFORE THE SENATE BUDGET COMMITTEE, JUNE 4, 1992

At the outset, let me make clear that, despite the misgivings I expressed on this score a decade ago, I no longer think that a balanced budget amendment is, at a conceptual level, an ill-suited kind of provision to include in the Constitution. The inherent weaknesses of the current budget process have been well documented by public choice theorists and others: in a sort of national "prisoner's dilemma," citizens cry out for limiting aggregate spending but are unwilling to restrain specific spending programs that carry clearly identifiable benefits for their communities; they sometimes concede the need to raise tax levels generally but are strongly opposed to tax measures that carry clear costs for their segment of the population. Cut any program but mine; raise somebody else's taxes. Thus, although the citizenry as a whole would profit if the deficit were reduced, even through higher taxes or lower spending, the deficit continues to grow. As many have observed, the very purpose of a constitution is to pre-commit ourselves to certain choices and institutional arrangements that will promote our long-run best interests and help us resist the temptations of the short term—just as Odysseus bound himself to his ship's mast so that he would be able to withstand the Sirens' song.

Furthermore, the Jeffersonian notion that today's populace should not be able, by profligate borrowing, to burden future generations with excessive debt does seem to be the kind of fundamental value that is worthy of enshrinement in the Constitution. In a sense, it represents a structural protection for the rights of our children and grandchildren. Given the centrality in our revolutionary origins of the precept that there should be no taxation without representation, it seems especially fitting in principle that we seek somehow to tie our hands so that we cannot spend our children's legacy. Hence, I salute those like Senator Simon who have worked, with only the best of intentions, to bring the balanced budget issue to the Senate's attention.

Mr. CRAIG. The professor may disagree with those of us who support the

amendment as to how it would work, whether it could be enforced, whether it could be sufficiently flexible, whether the roles of the branches of government would be changed, and whether the courts would be drawn into the budgeting process.

Reasonable persons can disagree on the operation of such an amendment; but we welcome Professor Tribe's change of heart in that he now agrees with us "conceptually" and opposes the amendment only "reluctantly".

We who support the amendment, who have, in fact, participated in drafting and revising it over the years, have taken cognizance of the reasoned questions and reservations such as those of Professor Tribe.

The concern has been raised about the enforceability of the amendment. I understand that, upon questioning by the respected ranking minority member of the Budget Committee, Professor Tribe and another opposition witness, Prof. Walter Dellinger of Duke Law School, both said that—at that time—House Joint Resolution 290, the Stenholm amendment was more enforceable than Senate Joint Resolution 18 as reported, because of the requirement of a three-fifths vote to increase the debt limit. When the principal sponsors and supporters of both leading versions met prior to consideration by the other body, the Senators involved accepted the debt limit language into the final, "bipartisan, bicameral consensus" version.

Earlier on this Senate floor, I inserted into the RECORD an analysis by the Lincoln Legal Foundation addressing the issue of the role of the courts in enforcing the amendment. It is both the considered opinion of the amendment's authors, and their intent—and that's what this debate is about, in significant part, establishing congressional intent in approving this amendment—that the role of the courts would be limited.

We believe, based upon precedent and the scholarly interpretation of other witnesses and commentators, that standing to sue would be extremely limited; that most cases would be disposed of summarily as nonjusticiable, political questions; and that the judicial power would not extend beyond, in the words of Chief Justice Marshall in *Marbury versus Madison*, "say[ing] what the law is", and preventing execution of unconstitutional acts of Congress or executive actions.

To further clarify the intent and operation of the balanced budget amendment, in the bipartisan, bicameral consensus version, a new section 6 on enforcement was added. Last week I offered for the RECORD a detailed, section-by-section analysis of the consensus version, as well as explanatory materials in question-and-answer format, that, among other things, addressed questions of enforcement and imple-

mentation. I would like to insert into the RECORD, again at this time, the portion of the section-by-section explaining section 6.

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

Section 6. The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts.

This section requires the adoption of legislation necessary, appropriate, and reasonable to enforce and implement the Balanced Budget Amendment. There is no need—and arguably it would be a bad idea—explicitly to foreclose the possibility of judicial interpretation or enforcement. However, this language further tilts presumptions of such responsibility toward extremely limited court involvement. This language also is intended to prevent the possibility of an interpretation that could shift the current balance of power among the branches in favor of the Executive.

Detailed analysis

"The Congress shall enforce and implement . . ." differs from clauses included in several other amendments that state, "The Congress shall have power to enforce . . ." This latter clause has been employed only where there was concern that the question could arise as to whether Congress had the power to pre-empt state laws or constitutions or was venturing impermissible beyond its constitutionally enumerated powers and into the rights reserved to the states or the people.

Here, no such question of pre-emption is conceivable. Congress clearly has the power to enforce and implement this Article, under the "necessary and proper" clause in Article I, Section 8, which states: "The Congress shall have power . . . To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof."

This section creates a positive obligation on the part of Congress to enact appropriate implementation and enforcement legislation. As a practical matter, this language simply requires what is inevitable and predictable. It is a simple statement that, however well-designed, a constitutional amendment dealing with subject matter as complicated as the federal budget process needs to be supplemented with legislation. It is a means of owning up to the truth in the arguments made by many Members of Congress—both supporters and opponents—that Members must expect to do more than cast this one vote to pass this one amendment, to ensure that deficits are brought down and, ultimately, eliminated.

The inclusion of a positive obligation to legislate does not make the Article more difficult to enforce, nor is it without precedence in the Constitution. Article I, Section 2, Clause 3 provides: "Representatives and direct Taxes shall be apportioned among the several States . . . according to their respective Numbers, which shall be determined by . . . [an] actual Enumeration . . . made within three years . . . and within every subsequent Term of ten Years, in such Manner as they shall by Law direct. . . ." The critic who today asks, "What if Congress just doesn't enact implementing and enforcing legislation?" would be the counterpart of the critic who might have asked in 1787, "What if Congress just doesn't authorize or appro-

priate for a Census, if, in their own self-interest, they don't want the current apportionment to be changed?" In this case, it manifestly would be in Congress' own best interest to enact legislation ensuring a complete and clearly-defined budget process consistent with the Balanced Budget Amendment.

"... which may rely on estimates of outlays and receipts." This phrase allows Congress the flexibility in explicit language that it will need in practical effect, to make reasonable decisions and use reasonable estimates, when appropriate, as a means of achieving the normative result required in Section 1. To some extent, this phrase, too, states the obvious, that the process of budgeting and taxing and spending inevitably involves relying on estimates. "Estimates" means good faith, responsible, and reasonable estimates made with honest intent to implement Section 1 and not evade it.

The estimates contemplated in Section 6 do not apply in any way to a determination of the amount of debt referenced in Section 2. "Debt" there means actual, not estimated, debt.

Section 1 provides the standard by against which compliance with the amendment is measured. Section 6 clarifies that implementation and enforcement legislation may provide for the use of reasonable and appropriate estimates in the process of complying with Section 1. Section 6 is intended to support, strengthen, and aid the effectiveness of the other provisions of the amendment. This provision also will provide additional insurance against intrusion by the courts into the finer details of questions of compliance with the amendment.

Section 6 must not be interpreted in any way that would weaken or allow evasion of any other provision of this amendment. Over the course of the fiscal year, outlays may not exceed receipts. To the extent that any reasonable and lawful action can be taken to prevent an excess, it must be taken. On the other hand, for example, a brief dip in receipts or jump in outlays need not trigger a sequester, rescission, or other offsetting action if there it is reasonable to assume that such a "glitch" will be offset naturally in the near-term by normal economic or budgetary fluctuations.

In order to allow for an unexpected shortfall of receipts or an unexpected increase in outlays without triggering a three-fifths debt vote under Section 2, it would be necessary that the actual debt held by the public be held below the debt limit, by a sufficient amount to offset the amount by which actual receipts or outlays may differ from estimated receipts or outlays.

It also should be noted that outlays are both more predictable and more controllable than receipts. Therefore, the handling of outlays necessarily must be held to a stricter standard than the treatment of receipts. To be more specific, of course, is difficult until the actual design of implementation and enforcement legislation emerges. In all cases, the standard to be applied to the accuracy and adjustment of estimates is to be a rule of reason.

Changes from H.J. Res. 290/S.J. Res. 298, as introduced

Subsection 6 is a new section. It was added to this substitute in part to clarify the role of Congress in the implementation and enforcement of the amendment, in part to require the enactment of such legislation, and in part to clarify that whatever process Congress enacts to enforce this amendment may provide for the use of reasonable estimates.

It is also the intent of this provision to allow the use of a single level of total estimated receipts for a fiscal year, enacted into law at the beginning of the budget process, as the fixed target amount which outlays throughout the fiscal year may not exceed. In other words, Section 6 is intended to allow Congress to enact into law the process of measuring actual outlays against a fixed receipts estimate in the same way that was outlined in H.J. Res. 290 as introduced. Nothing in H.J. Res. 290 as introduced would have prevented Congress from imposing a more stringent process of measuring actual outlays against constantly-updated receipts estimates throughout the fiscal year. Section 6 of the substitute is no more and no less restrictive in this regard.

Changes from S.J. Res. 18, as reported:

Section 6 is a new section.

Mr. CRAIG. I want to reiterate the clear understanding and intent of the authors that section 6 further clarifies that a strictly limited role is contemplated for the courts—which leaves no room for judicial budget-writing—and that the current balance of power among the branches is preserved.

This argument, with regard to the responsibilities and powers of the President, was carried forward in a question-and-answer exchange between the chairman of the House Budget Committee and Representative STENHOLM, the chief sponsor of the House amendment, and in the materials I submitted last week; I would like to enter a brief portion of each into the RECORD at this point, respectively:

Q. What does the gentleman contemplate with respect to the issue of whether the amendment gives the President impoundment authority?

A. The amendment does not broaden in any way the current powers of the President. Absent some other process being legislated, the President would have the same non-discretionary duty to order that no funds be disbursed from the Treasury, at the point in time when actual outlays would otherwise exceed the maximum amount allowed, just as the President has such a duty today in the event appropriations have not been enacted in time to keep programs going. This does not envision in any way any sort of discretionary impoundment power on the part of the President or courts. The President could not order that funding for certain programs be halted while allowing funding to continue for other programs.

Q. Doesn't H.J. Res. 290 imply that the President would have enhanced powers to block spending based on a pretext of unconstitutionality?

A. A frequent criticism of previous BBA proposals has been that the President is not brought into the budget process sufficiently to share the responsibility of governing and the blame of impasse, although the President can criticize the Congress that "holds the purse strings." H.J. Res. 290 recognizes the accepted role the President has played under statute since the 1920s, by requiring the President to submit a balanced budget. The President must also share fiscal and political responsibility with Congress for H.J. Res. 290's joint receipts estimate. But beyond the role in that new joint estimate, H.J. Res. 290 does not broaden in any way the powers of the President. On the other hand, it does make the President more accountable for how the budget process proceeds.

Finally, I believe the record is ample and convincing that the enforcement and implementing language of section 6, and the reasonable supermajority hurdles in the amendment for running deficits, increasing the debt limit, and raising taxes, and the language allowing waivers during time of war or imminent military threat, provide an appropriate amount of flexibility.

I'm happy that Professor Tribe has come part of the way toward supporting the balanced budget amendment. We only disagree over the design and the particulars, not over the fundamental question of whether this amendment seeks to protect the kind of rights that ought to be protected in the Constitution. I'd like to see him come the rest of the way and maybe he still will. I'd like to see him join the ranks of other full-fledged converts, diverse converts, ranging from Michael Kinsley to George Will, from the Philadelphia Inquirer to the Washington Times, and from HENRY HYDE to JOE KENNEDY, among our colleagues in the other body.

The PRESIDING OFFICER. Who yields time?

Mr. NICKLES. Mr. President, I note the Senator from Arizona is on the floor. How much time does the Senator request?

Mr. DECONCINI. If the Senator will yield me 3 minutes, that will be sufficient.

Mr. NICKLES. I yield 3 minutes.

The PRESIDING OFFICER. The Senator from Arizona [Mr. DECONCINI] is recognized for 3 minutes.

Mr. DECONCINI. Mr. President, I rise in opposition to the pending amendment. I do so with the greatest respect for the President pro tempore and chairman of the Appropriations Committee and his intention here to bring about fiscal responsibility through his amendment. Indeed, if his amendment became the law of the land and, indeed, became effective and was not repealed by future Congresses and agreements that we have constantly seen put into effect here—yes, it would be a viable alternative to a constitutional amendment.

The fact of the matter, as I see it, is that we need a constitutional amendment to balance the budget. The Senator from West Virginia has presented his views in opposition to that amendment in a most eloquent manner, as he always does. He has expressed his view that this is a mistake and the amendment is flawed and that we should not proceed in this manner, and he gives the arguments in favor of other alternatives.

With all due respect, I think the argument bodes so well for us to pass a constitutional amendment. And, in fact, if we do that, we can come back and pass the Byrd amendment and we can mandate a balanced budget legislatively, in addition to the amendment.

What we really have here from the Republican side—who have offered this amendment—is a political statement. I happen to agree with the principle behind that statement. But I do not appreciate the politics that is played here for the purpose of trying to see how many votes you can pick up and what you can do with them, either towards your fellow Senator who is running for public office, or what the challenger might do with them. I understand that. The American public should understand what is going on here.

Nevertheless, there is a principle in addition to the politics. And, on our side here—if you want to call it our side—at least on the Byrd side of it, there is a principle, too. Strong legislation that would bring about the President submitting a plan for a balanced budget and Congress having to have the heat put on them to do the same. This is a workable solution. Not an alternative—in this Senator's judgment, at least—to a constitutional amendment, but a solution if we could pass it, if it could become law.

But there is politics here as there always is in this body. We like to think when our amendments are being considered they are based on statesmanship and what is good for the country.

Mr. President, since coming to the Senate over 15 years ago, I have continuously sought the support of my colleagues in passing a balanced budget amendment.

Had a balanced budget amendment passed during my first year in the Senate, the gross national debt would be approximately \$900 billion. Instead, the deficit alone is expected to reach \$400 billion this year and the debt will reach over \$4 trillion by 1993.

Since 1975, the amount of money spent annually to help defray rising interest costs on the debt has doubled. In 1975, 7 percent of the Federal Government's total outlays went to interest payments. This equaled roughly \$23 billion.

In 1990, this number jumped to over \$184 billion or 14.7 percent of total outlays. The projections for 1995 indicate that this amount will grow to an unprecedented \$242 billion in net interest payments, some 15.8 percent of outlays.

These are billions of dollars that should be spent on reducing taxes or on vital domestic programs like health care, drug treatment, and new roads and bridges. We are spending way too much of taxpayer money to pay off our cumulative past debts instead of investing in our future.

Few in Congress would dispute the need to control deficit spending. Between 1960 and today, this Nation has experienced a budget surplus twice. In 1960, we saw a surplus of \$301 million and in 1969, a surplus of \$3.2 billion. However, that is the end of the good news.

Since 1969, with the exception of the years 1987 through 1990 when the in-

crease in the deficit slowed, the annual deficit has grown larger every year. The deficit of 1986 was a record \$221 billion.

In 1991, an all-time record deficit was set at \$260 billion. Unfortunately, that record will be surpassed this year with a projected deficit of \$400 billion. The 1990 budget agreement estimated the deficit would be \$262 billion in 1992.

Thus, despite our best efforts to control spending, we will spend \$138 billion more than was intended under the 1990 budget agreement.

If a balanced budget amendment is not passed, these deficits will continue to grow and our children and their children will have to pay the tab.

Time after time, Congress has passed laws with the goal of controlling deficit spending and balancing the budget. Every one of these attempts has failed.

As a result, many of my colleagues are recognizing that the only long-term solution is a balanced budget amendment.

A constitutional amendment is needed because legislative rules can always be waived and the next Congress can always overturn the procedures and/or laws of its predecessors.

However, if Congress adopts and three-fourths of the States ratify, this amendment will become part of the fundamental law of the land affecting all future generations.

Despite my support for the amendment before us today, I strongly disagree with the partisan nature of the current consideration of the balanced budget amendment.

Bringing the amendment to the floor at this time is, I believe, a partisan effort to kill it and blame it on the Democrats.

Those of us on the Senate Judiciary Committee who worked for months to have the balanced budget amendment considered, believed it was important to focus the debate on the substance of the need for such an amendment and not the political ramifications.

The House voted on a balanced budget amendment on June 11 where it failed short of the two-thirds majority by nine votes.

After the House vote, Senator SIMON, the principal sponsor of Senate Joint Resolution 18, the Senate version of the balanced budget amendment, decided to postpone action on the amendment until the next Congress. He believed, and I agreed, that it was highly unlikely that there would be enough votes to change the outcome in the House.

While the House rule provides for the immediate consideration of a Senate-passed measure, Congressman STENHOLM has indicated he has no intention of invoking his prerogative under the rule unless he receives assurances from 12 House Members that they will change their vote and support the measure.

Twelve cosponsors of the House measure voted against the amendment and Representative STENHOLM wants a clear indication that the amendment will pass before he agrees to act on any Senate version. In this highly partisan election year and the limited time remaining before adjournment, this seems highly unlikely.

Because of my longstanding commitment to this issue and strong belief that this country needs a balanced budget amendment to the Constitution, I intend to vote for the amendment.

Nevertheless, I believe the efforts today jeopardize rather than enhance the possibility of a balanced budget amendment becoming part of our Constitution.

I do not support the motives behind today's debate. Clearly a bipartisan effort to enact a balanced budget amendment is preferable.

The PRESIDING OFFICER. The Chair informs the Senator the 3 minutes allocated to him have expired.

Mr. NICKLES. I yield the Senator an additional minute.

Mr. DeCONCINI. Mr. President, to wind this up, I believe the facts are that somebody has to decide when principle is more important versus the politics. Quite frankly, I toss the politics out when it comes to the awful debt problem we have in this country and that is why we need a balanced budget. So I am for the Byrd amendment on its own. And I am for the Nickles because it is a very important principle. I am going to vote against the Byrd amendment and then, I hope, if it is defeated, we will see a strong effort to bring it back up later on this Congress.

The PRESIDING OFFICER. Who yields time?

Mr. NICKLES. Mr. President, how much time is remaining to both sides?

The PRESIDING OFFICER. The Senator from Oklahoma controls 6 minutes and 40 seconds.

Mr. NICKLES. Mr. President, I have several of my colleagues who wish to speak. The Senator from Florida requested 2 minutes.

Mr. President, I yield the Senator 2 minutes.

The PRESIDING OFFICER. The Senator from Florida [Mr. MACK] is recognized for 2 minutes.

Mr. MACK. As I was sitting here, I found myself getting more and more frustrated, and I wondered how I could possibly express my frustration. It dawned on me this is almost an instant replay of 9 years ago when I first came to the Congress. I was assigned to the Budget Committee as a freshman. And, it may be unknown to my colleagues on the other side of the aisle, but Stockman and Feldstein and Regan told us in 1983 that we were going to experience deficits of \$200 billion or greater every year for years to come. I thought for sure that would wake everybody up.

But I was so surprised and shocked when I walked on the floor, for my first vote on the budget when the first person who came through the door after the bells went off said, "What are we voting on; what are we here for?"

I feel like no one has awakened in the last 9 years. I am worried about the future of our country. People on the other side of the aisle, people around the Nation tell us about the fear people feel today about what might happen if we pass a balanced budget amendment. They say it is going to take away people's programs.

Let me make this warning. If we experience in the 1990's interest rates like we experienced in the 1970's, the cost of carrying our debt will go from 15 percent of our annual spending, where it is today, to somewhere between 35 and 40 percent. Think about that for a moment.

What is that going to do to our ability to make decisions with respect to Government programs? If we do not act now, the slow increase in the cost of carrying the debt will take away our flexibility. One thing I learned in the business community before I came here, was that successful companies plan flexibility into their financial plans. The Congress' failure over the past 9 years to deal with this issue has taken away America's flexibility and we will not be able to sustain our economy and our country for the next shock that comes up.

I thank the Senator for yielding me the time and yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. NICKLES. I yield my friend and colleague, Senator D'AMATO, 2 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 2 minutes.

Mr. D'AMATO. Mr. President, if we do not get our financial house in order and if we do not have a balanced budget amendment to force us to do that which we do not have the courage to do, then we can say, oh, yes we will, but we have not, and we will not. We cannot stand up to the special interest groups when they come marauding in. Forget it—we collapse. It is like a bowling alley. Throw the ball down and knock the pins down. We are like the pins, right down. If we do not get our fiscal house in order, forget about the economy and economic recovery.

You wonder why business cannot compete? Because they cannot get the money. Government is out there sucking it up first. You wonder why the interest rates are high? Because they are worried about our spending, spending—who is going to finance the deficit?

One of these days the international financing community and the Japanese and others will tell us what we cannot or can do. We will become a third-rate

economic power. And then let us talk about what the unemployment will be. That is what we are talking about here. We are talking about the future of this country and our economy. We do not have the ability to stand up and make the tough decisions. We need a balanced budget amendment and I commend my colleagues for sponsoring this legislation. It is long overdue.

The PRESIDING OFFICER. Who yields time?

Mr. NICKLES. Mr. President, how much time remains on both sides?

The PRESIDING OFFICER. The Senator from Oklahoma controls 2 minutes and 44 seconds; the Senator from West Virginia controls 10 minutes, 58 seconds.

Mr. NICKLES. Mr. President, I yield the Senator from Mississippi 2 minutes.

The PRESIDING OFFICER. The Senator from Mississippi is recognized for 2 minutes.

Mr. LOTT. Mr. President, as we near the end of this debate, I think it is important once again that we emphasize exactly what we are dealing with. First, I urge my colleagues to vote against the Byrd amendment, because, as a matter of fact, this is about as close as we are going to get to an actual vote on the balanced budget amendment. That is it. It is a very important vote.

This amendment is drawn in such a way that, if it is agreed to, as has already been pointed out, it takes down the constitutional amendment and, as a matter of fact, it would go out of existence, too. But this is the vote on the balanced budget constitutional amendment. Make no mistake about it. This will be the only one we will really be able to refer to and say it made a difference.

I think Presidents should submit budgets to the Congress and submit budgets that are balanced. But what does the Congress do with the budgets that are submitted by Presidents now?

They kick it around, laugh at it, throw it out in the street and ignore it, and go on and do what the Congress wants to year in and year out. But this amendment would not only require the President—it says "shall" send this balanced budget amendment. And then it says "shall" reduce the deficit by cutting spending in discretionary programs and in the entitlement area, but also by increases in revenues. Not "may"; the President would not have the option. He would have to come forward with a balanced budget that included increases in revenue.

The PRESIDING OFFICER. The Senator's time allocated to him has expired.

Mr. LOTT. Mr. President, I urge defeat of the Byrd amendment.

Mr. DOLE. Mr. President, I yield 2 minutes of my leader time.

Mr. LOTT. I thank the distinguished Senator for doing that.

Mr. President, I want to emphasize what we are actually doing with this amendment. It is very craftily drawn. It would take down the constitutional amendment. Even if it is adopted, I want my colleagues to understand for sure what we are doing with it.

I want to also point out once again that every day the Government spends a billion dollars more than it takes in. That is why I am for a constitutional amendment for a balanced budget: Because we cannot control ourselves in the spending area. Not in the revenue; it is in spending.

I commend to my colleagues an article from the Chicago Tribune by Stephen Chapman. It is entitled "A Balanced-Budget Measure: Not for Crackpots Anymore."

When the campaign for a balanced-budget amendment to the Constitution began in 1975, the proposal was dismissed as the primitive idea of reactionary crackpots. That was in those prehistoric times when a Federal budget deficit of \$53 billion was a scandal. The advocates warned then that without this amendment, we could expect to see more \$53 billion deficits. They were wrong. Not since 1979 has the deficit fallen that low. * * *

Passing a balanced-budget amendment may not be an imperfect solution. Not passing it is a grim guarantee that the irresponsibility of the recent past is only the beginning.

I urge that we defeat the Byrd amendment and find a way for the Senate to go on record—our colleagues in the House at least had the courage to stand up and cast a direct vote on this balanced budget amendment. I think the U.S. Senate should do the same thing.

If we would adopt this amendment, I remind my colleagues again, the House could take up the amendment immediately without intervening action and vote again. If we have the courage to stand up and vote for this balanced budget constitutional amendment, I guarantee you, the House would do it.

This is an important issue, the most important one we will face in the remainder of this year. Let us defeat the Byrd amendment, and find a way to have the courage to vote for a constitutional amendment for a balanced budget.

The PRESIDING OFFICER. Who yields time?

Mr. BRYAN. Mr. President, I support a constitutional amendment to balance the Federal budget, and to accomplish that goal. Last year, I cosponsored Senate Joint Resolution 18 introduced by Senator PAUL SIMON.

Our burgeoning Federal deficit is the greatest crisis facing our Nation today.

It is gobbling up our savings, robbing our ability to invest in infrastructure, and saddling our children with an enormous bill that will have to be paid.

In 1992, it is estimated the Federal deficit will reach over \$360 billion.

Our deficit is growing at a rate of \$6.9 billion per week.

Imagine, Mr. President, every day the Federal Government spends \$1 billion more than it takes in.

The national debt, the cumulation of these deficits, has grown to almost \$4 trillion. These are staggering figures.

Since I was elected to this body in 1989, I have been frustrated by the complete inability of Congress and the President to solve this problem.

When I took the oath of office in 1983, as Governor of the State of Nevada, our State, like the Nation, was in the grips of deep recession.

However, the Nevada State Constitution requires a balanced budget.

The necessary, excruciating task of balancing the State budget took strong executive and legislative leadership.

Those tough decisions were made and each year the State budget was balanced.

Nevada is not alone in requiring a balanced budget.

Many States across the Nation require Governors to submit, and legislatures to pass, budgets that reconcile revenue and expenditures. At the Federal level, it is clear that legislative solutions have not worked.

In 1985, the Gramm-Rudman-Hollings Act was passed and the Federal deficit was \$212 billion.

In 1990, we passed the Budget Enforcement Act to reduce the deficit by almost \$500 billion over 5 years.

Yet in 1992, the deficit will reach an astounding \$365 billion. The problem is not getting any better.

The Congressional Budget Office, reported in January, that the long-run outlook is discouraging.

Even after the most ambitious deficit reduction package ever, the underlying deficit remains stuck at about 3 percent of the gross domestic product.

A June 1992 GAO report entitled, "Prompt Action Necessary to Avert Long-Term Damage to the Economy," states that if current spending and revenue patterns continue, the deficit could reach 20.6 percent of gross national product by the year 2020.

What kind of prospects are there for reducing a national debt that will have more than tripled in 10 years?

Between the end of 1981 and the end of 1991, the national debt increased about 2½ times as much as in the entire previous 192 years of U.S. history.

The debt, expressed as a percent of gross domestic product, represents the ability of the economy to carry debt.

When the debt-to-gross domestic product is rising, domestic investment is adversely affected.

The debt held by the public will have doubled relative to gross domestic product by 1993 to over 53 percent.

Mr. President, not only is the Federal deficit itself a problem, interest payments to service the debt are devouring precious Federal dollars.

For the past decade Congress and the President have had a credit card men-

tal—buy goods and services today, worry about the payment later.

When the bill comes due, make that minimum payment and keep charging away. As any consumer knows, if you only make the minimum payment and keep charging, you'll never pay it off. The finance charges will just keep accruing.

Unfortunately for the people of this country and generations to come, use of this Government credit card is never denied and the amount of debt only continues to grow.

Over 14 percent of the budget is now interest payments on the debt—\$214 billion. This growing portion of our Federal budget threatens to exceed any other single item of spending.

As the debt service consumes more and more of the budget, the amount of resources that can be devoted to other needs are restricted. We are a country starving for resources.

Mr. President, a balanced budget amendment to the constitution will force the President and Congress to approach this matter in a way necessary to evaluate spending and get the deficit under control.

There are those who say a constitutional amendment is unwarranted, that the budget can be balanced any time the Congress and the President have the will to make tough decisions.

However, history has shown that nothing is more elusive, nothing is more desired, and nothing is more avoided, than the will to make the tough choices.

The tough revenue and spending choices that have to be made become the chief argument against an amendment.

Yet, however painful these choices are, these are not arguments against an amendment, but a complaint against fiscal responsibility.

Those who cry that the pain will be deep, only give proof to the proposition that the amendment is needed.

Yes, the pain has been long delayed, the narcotic of over spending has blinded us to the fact that the pain killer has prevented us from taking the cure. The balanced budget amendment is a means to an end.

To force a reluctant Chief Executive and a reluctant legislature to come to grips with the most politically unpalatable of dilemmas: telling the people that there is no such thing as a free lunch.

Demands on the Treasury must be reconciled with how ample are the coffers. Our amendment is straightforward and simple.

It would require that total outlays for any fiscal year shall not exceed the total receipts for the fiscal year, unless three-fifths of the whole number of each House of Congress votes for excess outlays.

It would require a three-fifths vote to increase the debt limit.

It would require the President to submit a balanced budget to Congress.

It allows the provisions to be waived in case of war.

It would take effect beginning in 1998.

And, finally, it requires the Congress to pass legislation implementing the balanced budget amendment.

Mr. President, the American public is crying out for action. Recent polling reports that 77 percent of the public supports a balanced budget. We need to heed the advice of one of our Founding Fathers, Thomas Jefferson, who warned:

I wish it were possible to obtain a single amendment to our constitution.

I would be willing to depend on that alone for the reduction of the administration of our Government to the genuine principles of its Constitution; I mean an additional article, taking from the Federal Government the power of borrowing.***

I place economy among the first and most important of Republican virtues, and public debt as the greatest of the dangers to be feared.

Let us not wait any longer.

Let us remove these shackles of debt and free ourselves from the prison of interest payments and pass a balanced budget amendment now.

Mr. NICKLES. Mr. President, last Thursday we had about 20 Senators, with some on both sides of the aisle, speak in favor of this amendment. Today, we have had, I think, a dozen Senators speak and several others request to speak.

Mr. President, if we adopt the so-called Byrd amendment, we will kill a constitutional amendment to balance the budget. I hope we will not do that. I believe that it would be a serious mistake if we did.

So I urge my colleagues to defeat the Byrd amendment.

The PRESIDING OFFICER. Who yields time? The Republican leader is recognized.

Mr. DOLE. As I understand, leader time was reserved.

The PRESIDING OFFICER. The Senator has 8 minutes left.

Mr. DOLE. Mr. President, I want to speak briefly in opposition to the amendment by the distinguished Senator from West Virginia [Mr. BYRD]. There is a certain amount of politics involved in this. Everybody understands that and those who oppose the balanced budget amendment certainly have their rights and they have expressed their views. Those who support it certainly have their rights, and they have expressed their views. But we ought to have a vote, and it seems to me for a number of reasons, the vote on the Byrd amendment ought to be in the negative.

In the first place, it requires the President submit a balanced budget by not later than September 2, 1992. I have heard a lot of talk about politics. I do not know where that date came from.

It just happened to be before the election.

Normally, the President submits a budget in January, but it does not require the Congress to adopt the budget the President submits. It says we must agree. Well, that is great. We do not have to do anything. That has been the problem: Congress does not do anything.

I can recall being the majority leader in 1985. On this floor at 2 o'clock in the morning, we had a tough vote, a tough vote, won by 50 to 49. We froze COLA's. We cut spending. We even increased revenues a little. But I got one vote on that side of the aisle. One—one vote on that side of the aisle. So I know where all the tough votes are coming from.

This amendment, with all respect to the Senator from West Virginia, is a political amendment. It does not provide any cover for Members on that side, because you do not have to raise taxes if it is adopted. As the Senator from Mississippi pointed out, it is going to disappear anyway. But you are going to make a statement in your vote.

If you want to mandate the President of the United States by September 2 of this year to submit a balanced budget, and you want to do that by reductions in spending, reductions in entitlements and other mandatory spending, and increase revenues, then we ought to have it in here that Congress ought to vote on September 3 to adopt it or reject it.

We have to do something. The President cannot do it all. That is why there is frustration in America. That is why Ross Perot is getting a lot of attention right now. He does not have the answers, either. He knows about the problems; he does not have the answers.

So I suggest we go back and take a look at those who made tough votes on entitlement programs and discretionary spending and, yes, revenues, and then we decide whether or not we are going to need a balanced budget amendment.

Is a balanced budget amendment the best way to go? Certainly not. But I doubt the Congress has a will to do anything else, and we do take an oath to support the Constitution. If this is part of the Constitution, I think it would be self-enforcing. It is pretty hard to go home and explain to people: I voted for the balanced budget amendment, but I did not mean it. I voted for all the spending programs.

So, yes, there is politics involved in this. There ought to be a vote. There ought to be a vote up or down. We cannot get an up-or-down vote. We cannot get any vote unless the Byrd amendment is defeated. And there are a lot of reasons it ought to be defeated, no matter how well intentioned, because it aims the gun right at the President. It does not aim anything at the Congress.

The American people understand that. I do not believe, the last time I

checked, the American people wanted an increase in taxes. It does not say how much you have to get out of the budget, whether it is 10 percent in taxes, or 90 percent in taxes and 10 percent reductions in spending. To me, it misses a lot of vital information that ought to be furnished.

So this amendment ought to be defeated. Then we ought to invoke cloture. Then we ought to have an up-or-down vote on the amendment itself. Then we ought to get the 67 votes and send it back to the House, because under their rules they will take it up immediately.

I do not see any real politics, partisan politics. We are fighting to reduce the deficit. It is a very important issue. Seventy-seven percent of the American people support a balanced budget amendment. I would say to those who cosponsored balanced budget amendments, they are going to have an opportunity pretty soon to tell the people in their States: Well, I did not mean it; I meant it only as long as we did not have to vote.

So let us defeat the amendment of the distinguished Senator from West Virginia [Mr. BYRD] and then let us invoke cloture. Maybe we can get an agreement to modify this amendment so Congress has to do something. The American people want us to do something. When are we going to vote to cut spending?

So it seems to me, Mr. President, for all the reasons that have been stated by my colleagues on both sides of the aisle, we need a balanced budget amendment. And to get there, we need to defeat this amendment. So if you vote for this amendment, you are voting against a balanced budget amendment; it is that simple. It is going to be that easy to explain.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from West Virginia controls 10 minutes and 58 seconds.

Mr. BYRD. Mr. President, the amendment which I have offered does require that the Congress do something—may I say to my distinguished friend from Kansas, Mr. DOLE—on page 2, section 5, and I read therefrom:

The President and the Congress must agree upon a plan to balance the budget in order to decrease the debt burden on current and future generations, and provide a long-term sound economic structure for future generations.

So do not let it be said that the Byrd amendment does not require the Congress to do something.

Mr. President, it is the Nickles-Seymour-Gramm amendment that does not require the Congress to do anything.

It puts the whole shebang off at least until 1998, perhaps the year 2000, maybe 2001. The constitutional amendment to balance the budget puts it all off. Congress does not have to do anything. The President does not have to do anything. President Bush can just sit in his chair in the Oval Office in the event he is reelected; he has 4 more years. He does not have to worry about this constitutional amendment. It does not go into effect, it will not begin to bite until 1998 at the earliest. So if Senators really want the status quo, then they want the constitutional amendment on the balanced budget because they will not have to do anything for 10 years, 1998 at the earliest.

Now, Mr. President, I suppose nobody really knows what the ramifications will be if the constitutional amendment on the balanced budget were really adopted. I think that it will either be enforced or it will not be enforced. Some think it will not be enforced, some think it will be enforced. But in either event, it will not be good for the country. I do not have time to state all the reasons why, in both cases. We have discussed the possible ramifications heretofore. But either way, if it is not enforced or if it is enforced, Senators who vote for the constitutional amendment, in my judgment, will rue the day.

Let us compare the Byrd amendment with the constitutional amendment offered by Mr. NICKLES and other Senators. I respect those Senators, and I know they think what they are doing is best. I disagree. But looking at their amendment and looking at the Byrd amendment, those are the options in this next vote. Which do you want? Let us take a look, first of all, at the Nickles amendment.

A physiognomical analysis of the amendment indicates that it is merely a placebo to satisfy the patient.

As compared with the Byrd amendment, it is unworkable, unenforceable, and will result in a further undermining of the people's confidence in their Federal Government. Magic incantations are not enough, and the voters will find when it is all too late that this philosopher's stone was nothing more than premeditated procrastination to help us get by the election. I urge Senators to reject this pneumatic excrescence which would attach itself to the body of the Constitution like a barnacle, creating false expectations and paving the way for further despair.

Most of us are familiar with Homer's epic the *Odyssey* in which we are treated to the exciting and beautiful story of the wanderings of Odysseus following the Trojan War. We will recall that the divine Circe bade Odysseus to stay away from the siren's isle with their melodious voices and song which came from lips sweet as honey. Odysseus alone must hear them, he was told by Circe. Plugging his companion's ears

with wax. Odysseus ordered them to bind him hand and foot with ropes to the mast of the ship. He instructed them to disregard his orders to set him free and to tie him to the mast tighter than ever until they were a long way past the siren's isle. The Constitution is like the mast; its ropes bind us and restrain us where we would otherwise be tempted to go beyond the proper bounds of human behavior. But where are the ropes that would bind us in the Nickles-Seymour-Gramm amendment? Its ropes are of sand, mere high-sounding platitudes with no indications as to how they are to be enforced or by whom. For example, the statement that "total outlays for any fiscal year shall not exceed total receipts for that fiscal year," is nothing more than a precatory expression of pious hope. God said, "Let there be light," and there was light. But man is not God, and to say that outlays for any fiscal year "shall" not exceed total receipts for that fiscal year, does not make it happen, any more than would be the case if a constitutional amendment were added stating that the forest primeval shall be restored by the year 2000, the environment shall be pure by the year 2000, or the Nation's rivers shall revert to their original pristine state by the turn of the century. Saying it will not make it happen, even if it is the Constitution that says it. This is an empty exercise in voodoo budget balancing, and Senators and Presidents should know better than to disfigure the face of the Constitution with warts filled with wind, and encumber it with ropes made of sand.

My amendment requires the President to submit by September 1 of this year, a 5-year deficit reduction plan to balance the budget by September 30, 1998. The President must use the same economic and technical assumptions contained in his 1993 budget. Section Two of my amendment also requires that the President's plan shall include reductions in domestic discretionary spending, military spending, and foreign aid spending, as well as reductions in entitlement and mandatory spending; and that increases in revenues shall be a part of his plan.

A vote for my amendment is a vote to start balancing the budget this year. It is a vote for action now, not 10 years from now. If our budget deficit is allowed to continue to grow for perhaps as long as a decade, as it could under the present proposed constitutional amendment, we will only be deeper in the hole when we finally do begin the task. We need to start now and my amendment gets us started now.

A vote against my amendment is a vote for delay. It is a vote to put off beginning to seriously address the deficit. It is a vote that says do nothing. Con-

tinue to run huge deficits. We do not have to do anything if the Byrd amendment is voted down. We can put off serious deficit reduction and sit tight for perhaps a decade before we have to begin to make the tough choices. Let us explain that one to our constituents. Let us tell them why we voted to do nothing this year. Let us explain why it is critical to adopt a constitutional amendment, and yet vote to turn down the one approach that would have gotten us started this year. Whom will we be kidding with that explanation? Surely, the people will know better and we will only be kidding ourselves.

Mr. President, I yield back the remainder of my time.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. Who seeks recognition? The Senator from Oklahoma has 20 seconds remaining.

Mr. DOMENICI. Mr. President, how much time does the Republican leader have?

The PRESIDING OFFICER. Two minutes and 48 seconds.

Mr. DOMENICI. He indicated to me that he would yield that time to the Senator from New Mexico.

The PRESIDING OFFICER. The Senator may proceed.

Mr. BYRD. How much time did I yield back?

The PRESIDING OFFICER. The Senator yielded back 2 minutes.

Mr. BYRD. I ask unanimous consent that I may reserve those 2 minutes.

The PRESIDING OFFICER. The Senator has that right.

Mr. DOMENICI. Mr. President, I was trying to get the Senator's attention to tell him that I was going to use the time so that I would not yield the time, but I did not get the message to him on time and I apologize.

Mr. BYRD. I thank the Senator.

Mr. DOMENICI. Mr. President, I really have the greatest respect for the distinguished chairman of the Appropriations Committee. But, frankly, I am really amazed that he would use the word "voodoo" to explain a balanced budget amendment. If the balanced budget amendment is voodoo, then it seems to me his amendment is double voodoo. First, it is pure, unequivocal politics. Does the Senator really believe that a President should submit a balanced budget by September 2 of this year? Does he really believe that will ever happen? That is a joke. That is the equivalent of voodoo. And then to say that Congress has to do something—I am reading clause No. 5.

It does not say when. It just says Congress must agree upon a plan. I assume the voodoo that the distinguished chairman desires here is, get the President this year, and Congress will wait around to decide what they want to do, if ever.

The truth of the matter is this is not an amendment that is aimed at getting anything done now. The distinguished Senator from West Virginia has said that a couple of times. It is an amendment aimed at getting rid of the constitutional amendment vote. That is all. It is not going to get anything. The U.S. House is not going to vote for this. The President of the United States is not going to let this become law because it borders on the ridiculous to tell a President he is supposed to submit a balanced budget by September 2, and is supposed to include taxes and all the other things, including entitlements, when the other side led by the distinguished Senator from West Virginia will run from entitlements if the President put it in, at least clear through the election. They might run into the next decade if what we have already seen in the past is any indication.

We had only one major opportunity to do something real about the deficit. The distinguished Republican leader talked about that. That was a real vote with reconciliation, and mandates to get it under control. It was a real opportunity to do something then. There was one Democratic vote, and I regret to say that he is dead now.

Mr. BYRD addressed the Chair.

Mr. NICKLES. Will the Senator yield?

Mr. BYRD. Yes.

Mr. NICKLES. Mr. President, I ask unanimous consent to have printed in the RECORD at this point several charts, in addition to a rollcall vote that we had on April 9, which stated our strong preference to pass the constitutional amendment to balance the budget.

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

[ROLLCALL VOTE NO. 72 Leg.]

YEAS—63

Biden, Bond, Boren, Breaux, Brown, Bryan, Burdick, Burns, Chafee, Coats, Cochran, Cohen, Conrad, Craig, D'Amato, Danforth, Daschle, DeConcini, Dole, Domenici, Durenberger, Exon, Ford, Fowler, Garn, Gorton, Graham, Grassley, Harkin, Hatch, Hatfield, Heflin, Helms, Hollings, Kassebaum, Kasten, Kohl, Lott, Lugar, Mack, McCain, McConnell, Murkowski, Nickles, Nunn, Packwood, Pell, Pressler, Reid, Robb, Roth, Rudman, Sanford, Seymour, Shelby, Simon, Simpson, Smith, Specter, Stevens, Symms, Thurmond, Warner.

NAYS—32

Adams, Akaka, Baucus, Bentsen, Bingaman, Bradley, Bumpers, Byrd, Cranston, Dodd, Glenn, Gore, Inouye, Johnston, Kennedy, Kerrey, Kerry, Lautenberg, Leahy, Levin, Lieberman, Metzenbaum, Mikulski, Mitchell, Moynihan, Pryor, Riegle, Rockefeller, Sarbanes, Sasser, Wellstone, Wofford.

NOT VOTING—5

Dixon, Gramm, Jeffords, Wallop, Wirth.

HISTORICAL AND PROJECTED BUDGET DATA

[In billions of nominal dollars]

Budget actuals	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	Estimate 1992
Individual taxes	90	86	95	103	119	122	132	158	181	218	244	286	298	289	298	335	349	393	401	446	467	468	477
Corporate taxes	33	27	32	36	39	41	41	55	60	66	65	61	49	37	57	61	63	84	94	103	94	98	91
Social insurance taxes	44	47	53	63	75	85	91	107	121	139	158	183	202	209	239	265	284	303	334	359	380	396	416
Other receipts	25	27	28	28	30	32	34	37	38	41	51	70	69	66	72	73	73	74	79	82	91	92	98
Revenues	193	187	207	231	263	279	298	356	400	463	517	599	618	601	667	734	769	854	909	991	1,031	1,054	1,083
Defense	82	79	79	77	81	88	90	98	105	117	135	158	186	210	228	253	274	283	291	304	300	317	313
International	4	4	5	5	6	8	8	8	9	9	13	14	13	14	16	17	18	15	16	17	19	20	20
Domestic	39	44	49	53	56	67	78	92	106	114	129	137	127	130	135	146	148	147	158	169	183	196	215
Total, discretionary	125	127	133	135	143	163	176	197	219	240	277	308	326	354	380	416	439	445	465	490	502	532	548
Social Security	30	35	39	48	55	64	73	84	92	103	117	138	154	169	176	186	197	205	217	230	247	267	285
Medicaid	3	3	5	5	6	7	9	10	11	12	14	17	17	19	20	23	25	27	31	35	41	53	68
Medicare	7	8	8	9	11	14	17	21	24	28	34	41	49	56	61	70	74	80	86	94	107	114	128
Unemployment	3	6	7	5	6	13	19	14	11	10	17	18	22	30	17	16	16	16	14	14	17	25	39
Other	27	31	38	46	50	67	73	78	90	95	110	126	130	139	132	155	148	142	148	154	154	177	190
Total, mandatory	69	83	97	112	127	164	190	207	228	248	292	341	373	412	406	450	460	470	494	527	567	636	710
Offsetting receipts	(12)	(14)	(14)	(18)	(21)	(18)	(20)	(22)	(23)	(26)	(29)	(38)	(36)	(45)	(44)	(47)	(46)	(53)	(57)	(64)	(58)	(108)	(69)
Deposit insurance	(1)	(0)	(1)	(1)	1	1	(1)	(1)	(2)	(0)	(1)	(2)	(1)	(1)	2	2	3	3	10	22	58	66	65
Net interest	14	15	16	17	21	23	27	30	36	43	53	69	85	90	111	130	136	139	152	169	184	196	201
Outlays	196	210	231	246	269	332	372	409	459	504	591	678	746	808	852	946	990	1,004	1,064	1,144	1,252	1,323	1,455
Deficit	(3)	(23)	(23)	(15)	(6)	(53)	(74)	(54)	(59)	(40)	(74)	(79)	(128)	(208)	(185)	(212)	(221)	(150)	(155)	(154)	(221)	(269)	(368)

Source: Congressional Budget Office.

HISTORICAL AND PROJECTED BUDGET DATA

[Annual change in percent]

	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92
Individual taxes	-5	10	9	15	3	8	20	15	20	12	17	4	-3	3	12	4	12	2	11	5	0	2
Corporate taxes	-18	20	12	7	5	2	33	9	10	-2	-5	-19	-25	54	8	33	12	10	-9	5	-7	
Social insurance taxes	7	11	20	19	13	7	17	14	15	14	16	10	4	15	11	7	7	10	8	6	4	5
Other receipts	6	4	2	8	4	9	7	3	9	24	38	0	-5	9	2	0	2	7	4	10	2	7
Revenues	-3	11	11	14	6	7	19	12	16	12	16	3	-3	11	10	5	11	6	9	4	2	3
Defense	-4	0	-3	5	9	3	8	7	12	15	17	18	13	9	11	8	3	3	5	-1	6	-1
International	-5	21	4	29	32	-9	7	6	7	41	6	-5	5	20	7	2	-14	3	6	15	2	3
Domestic	14	11	8	5	20	17	17	15	8	13	6	-7	2	4	8	1	0	8	7	8	7	10
Total	2	5	1	6	14	8	12	11	10	15	11	6	8	7	10	5	1	5	5	2	6	3
Social Security	19	12	22	14	16	14	15	10	11	14	18	12	9	5	6	5	4	6	6	7	8	7
Medicaid	26	35	0	26	17	26	15	8	16	13	20	4	9	6	13	10	10	11	13	19	28	30
Medicare	10	12	7	19	32	20	23	17	16	21	21	19	13	10	14	6	8	7	10	14	6	12
Unemployment	87	16	-27	14	129	45	-23	-24	-10	72	8	22	33	-43	-7	2	-4	-12	2	23	47	55
Other	17	22	21	10	34	9	7	16	6	15	15	3	7	-5	18	-5	-4	4	4	0	15	7
Total	20	17	16	13	29	15	9	11	9	17	17	9	10	-1	11	2	2	5	7	7	12	12
Net interest	3	5	12	24	8	15	12	19	20	23	31	24	6	24	17	5	2	9	11	9	7	2
Outlays	7	10	7	10	23	12	10	12	10	17	15	10	8	5	11	5	1	6	8	9	6	10
Deficit	721	2	-36	-59	772	39	-27	10	-32	84	7	62	62	-11	15	4	-32	4	-1	44	22	37

Source: Congressional Budget Office.

FEDERAL SPENDING CATEGORIES

[In billions of nominal dollars]

Year	Outlays	Growth	Percent growth	Percent of GDP
Mandatory (except Social Security):				
1980	\$174.4			6.4
1981	202.7	\$28.3	16.2	6.7
1982	218.8	16.1	7.9	6.9
1983	243.1	24.3	11.1	7.1
1984	230.2	(12.9)	-5.3	6.1
1985	263.6	33.4	14.5	6.5
1986	263.2	(.4)	-.2	6.2
1987	265.1	1.9	.7	5.8
1988	277.4	12.3	4.6	5.7
1989	296.8	19.4	7.0	5.7
1990	320.0	23.2	7.8	5.8
1991	369.2	49.2	15.4	6.5
1992	425.4	56.2	15.2	7.2
International:				
1980	12.8			.5
1981	13.6	.8	6.2	.4
1982	12.9	(.7)	-5.1	.4
1983	13.6	.7	5.4	.4
1984	16.3	2.7	19.9	.4
1985	17.4	1.1	6.7	.4
1986	17.7	.3	1.7	.4
1987	15.2	(2.5)	-14.1	.3
1988	15.7	.5	3.3	.3
1989	16.6	.9	5.7	.3
1990	19.1	2.5	15.1	.3
1991	19.5	.4	2.1	.3
1992	20.0	.5	2.6	.3
Social Security:				
1980	117.1			4.3
1981	137.9	20.8	17.8	4.6

FEDERAL SPENDING CATEGORIES—Continued

[In billions of nominal dollars]

Year	Outlays	Growth	Percent growth	Percent of GDP
1982	153.9	16.0	11.6	4.9
1983	168.5	14.6	9.5	4.9
1984	176.1	7.6	4.5	4.7
1985	186.4	10.3	5.8	4.6
1986	196.5	10.1	5.4	4.6
1987	205.1	8.6	4.4	4.5
1988	216.8	11.7	5.7	4.4
1989	230.4	13.6	6.3	4.4
1990	246.5	16.1	7.0	4.5
1991	266.7	20.2	8.2	4.7
1992	284.5	17.8	6.7	4.8
Domestic:				
1980	129.1			4.8
1981	136.5	7.4	5.7	4.5
1982	127.4	(9.1)	-6.7	4.0
1983	130.0	2.6	2.0	3.8
1984	135.3	5.3	4.1	3.6
1985	145.7	10.4	7.7	3.6
1986	147.5	1.8	1.2	3.5
1987	147.2	(.3)	-.2	3.2
1988	158.4	11.2	7.6	3.2
1989	169.0	10.6	6.7	3.2
1990	182.5	13.5	8.0	3.3
1991	195.7	13.2	7.2	3.4
1992	215.0	19.3	9.9	3.6
Defense:				
1980	134.6			5.0
1981	158.0	23.4	17.4	5.2
1982	185.9	27.9	17.7	5.9
1983	209.9	24.0	12.9	6.2
1984	228.0	18.1	8.6	6.0
1985	253.1	25.1	11.0	6.3
1986	273.8	20.7	8.2	6.4
1987	282.5	8.7	3.2	6.2

FEDERAL SPENDING CATEGORIES—Continued

[In billions of nominal dollars]

Year	Outlays	Growth	Percent growth	Percent of GDP
1988	290.9	8.4	3.0	5.9
1989	304.0	13.1	4.5	5.8
1990	300.1	(3.9)	-1.3	5.4
1991	317.0	16.9	5.6	5.6
1992	313.0	(4.0)	-1.3	5.3
Net interest:				
1980	52.5			1.9
1981	68.8	16.3	31.0	2.3
1982	85.0	16.2	23.5	2.7
1983	89.8	4.8	5.6	2.6
1984	111.1	21.3	23.7	2.9
1985	129.5	18.4	16.6	3.2
1986	136.0	6.5	5.0	3.2
1987	138.7	2.7	2.0	3.1
1988	151.8	13.1	9.4	3.1
1989	169.2	17.4	11.5	3.2

FEDERAL SPENDING CATEGORIES—Continued
(In billions of nominal dollars)

Year	Outlays	Growth	Percent growth	Percent of GDP
Unemployment compensation:				
1980	16.9			.6
1981	18.3	1.4	8.3	.6
1982	22.3	4.0	21.9	.7
1983	29.7	7.4	33.2	.9
1984	17.0	(12.7)	-42.8	.5
1985	15.8	(1.2)	-7.1	.4
1986	16.1	.3	1.9	.4
1987	15.5	(.6)	-3.7	.3
1988	13.6	(1.9)	-12.3	.3
1989	13.9	.3	2.2	.3
1990	17.5	3.6	25.9	.3
1991	25.1	7.6	43.4	.4
1992	38.9	13.8	55.0	.7
Medicare:				
1980	34.0			1.3
1981	41.3	7.3	21.5	1.4
1982	49.2	7.9	19.1	1.6
1983	55.5	6.3	12.8	1.6
1984	61.0	5.5	9.9	1.6
1985	69.7	8.7	14.3	1.7
1986	74.2	4.5	6.5	1.7
1987	79.9	5.7	7.7	1.8
1988	85.7	5.8	7.3	1.7
1989	94.3	8.6	10.0	1.8
1990	107.4	13.1	13.9	1.9
1991	114.2	6.8	6.3	2.0
1992	128.3	14.1	12.3	2.2
Medicaid:				
1980	14.0			.5
1981	16.8	2.8	20.0	.6
1982	17.4	.6	3.6	.6
1983	19.0	1.6	9.2	.6
1984	20.1	1.1	5.8	.5
1985	22.7	2.6	12.9	.6
1986	25.0	2.3	10.1	.6
1987	27.4	2.4	9.6	.6
1988	30.5	3.1	11.3	.6
1989	34.6	4.1	13.4	.7
1990	41.1	6.5	18.8	.7
1991	52.5	11.4	27.7	.9
1992	68.4	15.9	30.3	1.2
Food stamps:				
1980	9.1			.3
1981	11.3	2.2	24.2	.4
1982	11.0	(.3)	-2.7	.3
1983	11.8	.8	7.3	.3
1984	11.6	(.2)	-1.7	.3
1985	11.7	.1	.9	.3
1986	11.6	(.1)	-.9	.3
1987	11.6	0	.0	.3
1988	12.3	.7	6.0	.3
1989	12.8	.5	4.1	.2
1990	15.0	2.2	17.2	.3
1991	18.7	3.7	24.7	.3
1992	22.2	3.5	18.7	.4
Family support (AFDC):				
1980	7.3			.3
1981	8.2	.9	12.3	.3
1982	8.0	(.2)	-2.4	.3
1983	8.4	.4	5.0	.2
1984	8.9	.5	6.0	.2
1985	9.2	.3	3.4	.2
1986	9.9	.7	7.6	.2
1987	10.5	.6	6.1	.2
1988	10.8	.3	2.9	.2
1989	11.2	.4	3.7	.2
1990	12.2	1.0	8.9	.2
1991	13.5	1.3	10.7	.2
1992	15.1	1.6	11.9	.3
Veterans benefits and services:				
1980	14.0			.5
1981	15.4	1.4	10.0	.5
1982	15.8	.4	2.6	.5
1983	15.9	.1	.6	.5
1984	16.0	.1	.6	.4
1985	15.9	(.1)	-.6	.4
1986	15.7	(.2)	-1.3	.4
1987	15.7	0	.0	.3
1988	17.6	1.9	12.1	.4
1989	17.7	.1	.5	.3
1990	15.9	(1.8)	-10.2	.3
1991	17.3	1.4	8.8	.3
1992	19.5	2.2	12.7	.3
Other mandatory:				
1980	75.0			2.8
1981	86.1	11.1	14.8	2.8
1982	82.2	(3.9)	-4.5	2.6
1983	82.7	.5	.6	2.4
1984	87.1	4.4	5.3	2.3
1985	99.8	12.7	14.6	2.5
1986	83.5	(16.3)	-16.3	2.0
1987	80.7	(2.8)	-3.4	1.8
1988	92.0	11.3	14.0	1.9
1989	97.7	5.7	6.2	1.9
1990	100.0	2.3	2.4	1.8
1991	112.9	12.9	12.9	2.0
1992	114.4	1.5	1.3	1.9
Farm price supports:				
1980	2.8			.1
1981	4.0	1.2	42.9	.1
1982	11.7	7.7	192.5	.4
1983	18.9	7.2	61.5	.6

FEDERAL SPENDING CATEGORIES—Continued
(In billions of nominal dollars)

Year	Outlays	Growth	Percent growth	Percent of GDP
1984	7.3	(11.5)	-61.4	.2
1985	17.7	10.4	142.5	.4
1986	25.8	8.1	45.8	.6
1987	22.4	(3.4)	-13.2	.5
1988	12.2	(10.2)	-45.5	.2
1989	10.6	(1.6)	-13.1	.2
1990	6.5	(4.1)	-38.7	.1
1991	10.1	3.6	55.4	.2
1992	11.4	1.3	12.9	.2
Federal retirement & disability:				
1980	25.6			1.0
1981	31.2	4.6	17.3	1.0
1982	34.3	3.1	9.9	1.1
1983	36.5	2.2	6.4	1.1
1984	38.0	1.5	4.1	1.0
1985	38.5	.5	1.3	1.0
1986	41.3	2.8	7.3	1.0
1987	43.7	2.4	5.8	1.0
1988	46.8	3.1	7.1	1.0
1989	49.1	2.3	4.9	.9
1990	51.9	2.8	5.7	.9
1991	56.0	4.1	7.9	1.0
1992	58.7	2.7	4.8	1.0

Source: CBO.

MONTHLY TREASURY STATEMENT ANALYSIS

Fiscal year	Receipts	Cumulative	Outlays	Cumulative	Deficit/(surplus)	Cumulative
1991						
October	76,986	76,986	108,350	108,350	31,364	31,364
November	70,507	147,493	118,230	226,580	47,723	79,087
December	101,900	249,393	109,287	335,867	7,387	86,474
January	100,713	350,106	99,062	434,929	(1,650)	84,824
February	67,657	417,763	93,848	528,777	26,191	111,015
March	64,805	482,568	105,978	634,755	41,173	152,188
April	140,380	622,948	110,371	745,126	(30,009)	122,179
May	63,560	686,508	116,926	862,052	53,367	175,546
June	103,389	789,897	105,968	968,020	2,579	178,125
July	78,593	868,490	119,424	1,087,444	40,831	218,956
August	76,426	944,916	120,075	1,207,519	43,649	262,605
September	109,350	1,054,266	116,238	1,323,757	6,887	269,492
1991 total		1,054,265		1,323,757		269,492
1992						
October	78,068	78,068	114,660	114,660	36,592	36,592
November	73,194	151,262	117,878	232,538	44,684	81,276
December	103,662	254,924	106,199	338,737	2,537	83,813
January	104,091	359,015	119,742	458,479	15,650	99,463
February	62,056	421,071	111,230	569,709	49,174	148,637
March	72,917	493,988	123,629	693,338	50,712	199,349
April	138,430	632,418	123,821	817,159	(14,609)	184,740
May	62,244	694,663	109,179	926,338	46,935	231,675
June						
July						
August						
September						
1992 total						
1992¹ (percent)						
October	1.4	1.4	5.8	5.8	16.7	16.7
November	3.8	2.6	-3	2.6	-6.4	2.8
December	1.7	2.2	-2.8	5.9	-65.7	-3.1
January	3.4	2.5	20.9	5.4	1,048.5	17.3
February	-8.3	.8	18.5	7.7	87.8	33.9
March	12.5	2.4	16.7	9.2	23.2	31.0
April	-1.4	1.5	12.2	9.7	-51.3	51.2
May	-2.1	1.2	-6.6	7.5	-12.1	32.0
June						
July						
August						
September						
Total						

¹ Fiscal year 1992 compared to fiscal year 1991.

SUMMARY OF LARGEST OUTLAY CHANGES

Agency/Account	Fiscal year 1991 October to May	Fiscal year 1992 October to May	Change	Change (percent)
Department of Agriculture: Food Stamps	12,902	15,403	\$2,501	19.4
Department of Defense—Military:				
Military Personnel	58,292	52,693	(5,599)	-9.6
Operations and Maintenance	67,527	59,824	(7,703)	-11.4
Procurement	54,664	49,539	(5,125)	-9.4

SUMMARY OF LARGEST OUTLAY CHANGES—Continued
(In million of dollars)

Agency/Account	Fiscal year 1991 October to May	Fiscal year 1992 October to May	Change	Change (percent)
Department of Education: Education for the disadvantaged	3,579	4,513	934	26.1
Health and Human Services:				
Medicaid	32,409	43,085	10,676	32.9
Medicare	75,153	84,470	9,317	12.4
SSI program	11,356	12,459	1,103	9.7
AFDC	8,941	10,319	1,378	15.4
Social Security: Insurance and disability payments	173,525	186,125	12,600	7.3
Department of Labor: State unemployment benefits	17,115	24,906	7,791	45.5
Department of the Treasury: Earned income tax credit	4,652	7,451	2,799	60.2
Interest on the public debt	183,286	188,014	4,728	2.6
Independent Agencies: Bank insurance fund	104	5,629	5,525	5312.5
Resolution Trust Corporation	19,919	(417)	(20,336)	-102.1

Note: Interest on the public debt for May 1992 is \$23.791 billion, which is 22 percent of the current month's total outlays.

The PRESIDING OFFICER. The Senator from West Virginia is recognized. Mr. BYRD. Mr. President, this Senator did not originate the word "voodoo." That word was originated by the present occupant of the White House, and he is the same individual who has said that he will do whatever it takes to be reelected.

Mr. President, let that President lead the way. Let him come out with a plan. That is what this amendment, my amendment, asks him to do. Let him come out with a plan and if he wants to cut entitlements, I will follow him in cutting some entitlements, some mandatory ones, and increasing taxes, if it is necessary to balance the budget. I am only saying let us get the President to lead.

This President will not lead. He has not led. He has talked about voodoo economics and he also urges us to pass this constitutional amendment. That is voodoo constitutionalism.

So, Mr. President, I am ready, to rest my case. I do not have any doubt how the Byrd amendment will turn out, but it does call on us and the President to do something now, not 10 years from now, may I say to my friend from New Mexico. And it does not ask the President to send up a balanced budget. It asks him to send up a plan through which the budget would be balanced over a period of 5 years.

That is not voodoo economics. That is not voodoo budget balancing. That is asking for action now. Let us have a plan, Mr. President. Perhaps he would be reelected if he would send us a plan. That is what the people want to see. They want to see leadership.

Mr. DURENBERGER. Mr. President, the amendment offered by the distinguished President pro tempore, Senator BYRD, contains an idea that all of my colleagues should, in principle, support. This amendment requires the President to submit a 5-year plan for achieving a balanced budget by September 30, 1998.

My enthusiasm for this amendment stems, in part, from the fact that in October 1984, I drafted and introduced an amendment along with Senators GORTON, COHEN, and the late Senator Heinz, that would have required the President to submit a 5-year budget plan that would achieve a balanced budget by 1989. My amendment further provided that if the President did not submit a budget that would lead to a zero deficit in 5 years, he would have to submit an alternative second budget that would show how the budget could be balanced by 1989.

My 1984 amendment also would have required the House and Senate Budget Committees to submit concurrent budget resolutions that would achieve a balanced budget by 1989. And if zero-deficit concurrent resolutions were not offered, my amendment would have required the Budget Committees to submit an alternative second budget resolution that would show how the budget could be balanced by 1989.

My 1984 resolution held both the President and the Congress to a clear standard of accountability. If the President did not submit a balanced budget plan, he would be required to submit an alternative. The same standard would have been imposed on the Congress.

Mr. President, there is a critical difference between my 1984 proposal and the amendment offered by the distinguished President pro tempore. At the time my amendment was submitted, the 1984 election of President was less than a month away. My amendment was not intended to influence that election. My amendment would have required the President to submit a balanced budget plan when he sent up his next budget in February 1985—2½ months after the results of the Presidential election had been determined.

But this amendment represents a transparent political statement. It requires President Bush to submit a 5-year plan by September 1, 1992, that would spell out exactly how the President would achieve a balanced budget by September 30, 1998. That is barely 63 days before this year's Presidential election.

Why should the President be required to lay out his plan, when Democratic Presidential candidate Bill Clinton, and independent candidate Ross Perot have been silent on their balanced budget plans? We in the Senate cannot order Bill Clinton or Ross Perot to lay out their plans, why should President Bush be the only one mandated to lay out a plan?

Mr. President, the debate over whether or not to amend the Constitution is not, and should not, be partisan. Senators and Congressmen on both sides of the aisle have valid, non-partisan, reasons to support or oppose this idea. In the House, 116 Democrats joined 164 Republicans in voting for

this amendment. In the Senate, the leading sponsor of one of the alternative balanced budget amendments is the distinguished Democratic Senator from Illinois, Senator SIMON. This is not a partisan issue.

I could support the distinguished Senator's amendment if he would merely change the September 1, 1992, deadline and require the President to submit a balanced budget as part of the fiscal year 1994 budget that he will send up after the election. I ask the distinguished Senator whether he would consider such an amendment.

If not, I must oppose the amendment, because if Bill Clinton and Ross Perot choose to run for the Presidency without spelling out their balanced budget plans, I see no reason why the Congress should interpose itself into President Bush's election campaign strategy and plan and force him to spell out his plan before the election.

Mr. WOFFORD. Mr. President, the Federal budget deficit is a reflection of competing public demands and priorities. For more than a decade, Washington has failed to provide the leadership to resolve those competing demands and choose among those priorities. The balanced budget amendment is a symbol of the strong desire in our country to tame the Federal deficit and protect our children's future.

But the people of this country deserve more than symbols. They deserve action. And real action to reduce the deficit will take leadership from the President, courage from Congress, and a mandate from the voters. I support the amendment offered by Senator BYRD. The amendment addresses the fundamental need in the effort to achieve a balanced budget—Presidential leadership.

The evidence demonstrating the lack of Presidential leadership is overwhelming. Since 1980 our President has not submitted a balanced budget.

The Byrd amendment would require the President, not later than September 2, 1992, to submit a plan to balance the budget by September 30, 1998. This is a mandate for Presidential leadership. It requires honesty from a President who says he wants a balanced budget but does not submit one.

The Byrd amendment would require that the President's plan consist of: First, reductions in discretionary spending including domestic, defense, and international spending; second, reductions and controls on entitlement and other mandatory spending; and third, increases in revenues. In other words, everything would be on the table. Everything must be on the table for the public to have confidence in the process and support the result. I agree with my predecessor the late Senator Heinz, when he said:

[The survival and prosperity of our Nation depends upon a feeling by the American people that there is fairness and proportion in

whatever sacrifices we are called upon to make.

This is not to say that Congress does not share responsibility both for creating the deficit and for solving it. It does. And we do need to change some things around here so that more effective decisions can be made. I agree with the General Accounting Office's conclusion in a recent report:

[Although the budget process cannot be blamed for the existence of or the size of the deficit, changes in that process are necessary to facilitate and encourage focus on the long-term consequences of decisions.

But nothing can really happen without Presidential leadership.

Mr. President, I would like briefly to focus on two of the efforts that should be undertaken to balance the budget responsibly.

First and foremost, health care costs need to be brought under control. The Senator from Nebraska [Mr. KERREY] spoke eloquently last week on the Senate floor about the effect of spiraling health care costs. He concluded that "we must do health care cost containment if we are serious about deficit reduction." I could not agree more.

This year the Federal Government will spend approximately \$328 billion for health care, most of which is entitlement spending. And this amount will grow. The Congressional Budget Office has projected that Federal health care costs for Medicare and Medicaid will grow from 13.5 percent of the budget in 1992 to 25 percent by 2002. Department of Health and Human Services data indicate that Medicare and Medicaid outlays will grow as a percent of GNP from 2.8 percent in 1990 to 7.1 percent by 2020.

The General Accounting Office has correctly observed that "any serious deficit reduction effort must come to grips with the runaway spending in Medicare and Medicaid, but these costs are bound up in the Nation's overall approach to supplying and financing health care." We cannot solve this problem by capping Federal expenditures as some have suggested. We can only get a handle on it by enacting universal and comprehensive reform.

In addition, we need to reduce discretionary spending. We no longer need to spend as much for military. We can reduce administrative costs substantially, eliminate wasteful programs and close tax loopholes. Easy to say—but difficult to do. As one small example, almost a year ago I proposed to cut the U.S. Information Agency's budget by \$22 million by eliminating its Worldnet program. This program has few viewers and duplicates what the private sector already does through CNN. Yet, my amendment was defeated. And among those who voted in support of this wasteful program were some of the most ardent advocates of a balanced budget amendment.

As I said before, it will take leadership to balance the Federal budget—

not a constitutional amendment. It will take hard choices. That is why I am supporting the Byrd amendment. It is a demand for leadership. It is a demand for action, and that is what we sorely need.

The PRESIDING OFFICER. Has the Senator yielded back his time?

Mr. BYRD. If I have any left, I do.

Mr. NICKLES. I yield back the remainder of our time, Mr. President.

The PRESIDING OFFICER. The question now occurs on the second-degree Byrd amendment.

The amendment, (No. 2449), was agreed to.

The PRESIDING OFFICER. The question now occurs on the first-degree amendment.

Mr. DOLE. 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 amendment of the Senator from West Virginia, numbered 2448, as amended. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from New Jersey [Mr. BRADLEY] and the Senator from North Carolina [Mr. SANFORD] are necessarily absent.

I further announce that, if present and voting, the Senator from New Jersey [Mr. BRADLEY] would vote "aye."

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] and the Senator from Delaware [Mr. ROTH] are absent due to illness.

I further announce that, if present and voting, the Senator from North Carolina [Mr. HELMS] would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 39, nays 57, as follows:

[Rollcall Vote No. 134 Leg.]

YEAS—39

Adams	Fowler	Mikulski
Akaka	Gore	Mitchell
Baucus	Harkin	Moynihan
Bentsen	Inouye	Nunn
Biden	Johnston	Pell
Bingaman	Kennedy	Pryor
Bumpers	Kerrey	Riegle
Burdick	Kerry	Rockefeller
Byrd	Lautenberg	Sarbanes
Conrad	Leahy	Sasser
Cranston	Levin	Wellstone
Daschle	Lieberman	Wirth
Dodd	Metzenbaum	Wofford

NAYS—57

Bond	Cohen	Exon
Boren	Craig	Ford
Breaux	D'Amato	Garn
Brown	Danforth	Glenn
Bryan	DeConcini	Gorton
Burns	Dixon	Graham
Chafee	Dole	Gramm
Coats	Domenici	Grassley
Cochran	Durenberger	Hatch

Hatfield	McCain	Shelby
Heflin	McConnell	Simon
Hollings	Murkowski	Simpson
Jeffords	Nickles	Smith
Kassebaum	Packwood	Specter
Kasten	Pressler	Stevens
Kohl	Reid	Symms
Lott	Robb	Thurmond
Lugar	Rudman	Wallop
Mack	Seymour	Warner

NOT VOTING—4

Bradley	Roth
Helms	Sanford

So the amendment (No. 2448) was rejected.

The PRESIDING OFFICER. Under the previous order there will be 2 hours of debate preceding the vote on the cloture motion on the underlying Seymour and Nickles amendment.

The Senator from Rhode Island [Mr. CHAFEE] is recognized.

Mr. CHAFEE. Mr. President, I wonder if I could get the attention of the majority leader. It is 2 hours set aside for this debate?

The PRESIDING OFFICER. The Senator is correct.

Mr. CHAFEE. The Senator has the floor.

Mr. MITCHELL. Mr. President, I suggest for the interest of expediting this matter that we proceed to the debate and then during that time it be for me to determine whether or not it will be possible to reduce the time.

Mr. CHAFEE. I would like to say in behalf of one Senator that I feel the subject has been aired rather thoroughly and if possible in the spirit of early retirement this evening we would hope if possible we could reduce some time.

Mr. MITCHELL. Would the Senator make the same suggestion with respect to time tomorrow on the same subject?

Mr. CHAFEE. I certainly would.

Mr. MITCHELL. I certainly will consider that.

Mr. EXON. Mr. President, will the majority leader yield to this Senator for a question?

Mr. MITCHELL. I yield.

Mr. EXON. Mr. President, if I understand the procedure right we are about to begin the debate on the cloture motion of 1 hour equally divided to each side; is that correct?

Mr. MITCHELL. One hour of each side.

Mr. EXON. Two hours.

I follow up with the question. Maybe it is not the time to ask it. I follow the suggestion I thought was being made by the Senator from Rhode Island. We have debated this matter at great length. Everyone knows what the vote is going to be, within two or three one way or the other.

It would seem to me that it would be wise to stop the charade. I have talked about this on several occasions during this debate. Is there anyway that we could possibly ask at this time for maybe half an hour equally divided between each side, which I think would accomplish the same result?

Mr. MITCHELL. Mr. President, it is my belief that we will get through it sooner if we permit the debate to begin and as soon as it does begin, I will undertake an effort to see if it is possible to reduce the time both this evening and tomorrow morning. I make that suggestion on both sides to reduce the amount of time both this evening and tomorrow morning. I will take the suggestions in good faith.

Mr. EXON. I thank the majority leader.

Mr. NICKLES. If the majority leader will yield, correct me if I am wrong, but I believe the order that has been entered has 2 hours for tonight and 1 hour for tomorrow morning.

We have talked to several people—and I might mention to the majority leader I think we had 15 Senators that debated already on this issue. So, speaking on behalf of most of my colleagues on this side, I think we are willing to accommodate a reduction of time for tonight.

Mr. MITCHELL. And tomorrow morning as well, I understand?

Mr. NICKLES. Possible. Tomorrow we only have 1 hour.

Mr. MITCHELL. We only have 2 hours tonight.

Mr. NICKLES. I think this side would be willing to cut that in half. The Senator from Nebraska mentioned 30 minutes. But we are happy to have a reduction in time tonight.

Mr. MITCHELL. How about tomorrow morning?

Mr. NICKLES. Tonight.

Mr. MITCHELL. I thank the Senator. Mr. President, is the time running?

The PRESIDING OFFICER. There is no one designated to control the time.

Mr. MITCHELL. Mr. President, I designate Senator BYRD to control the time on our side.

I ask again, has the time that we have used since the vote been charged against the 2 hours for debate?

The PRESIDING OFFICER. It has been charged.

Mr. MITCHELL. Equally divided?

The PRESIDING OFFICER. There has been no provision to have it equally divided.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Republican leader is recognized.

Mr. DOLE. Mr. President, I do not know how many speakers I have on this side.

I just want to take a couple of minutes and then yield the remainder of the time to the Senator from Oklahoma to designate anybody who wishes to speak.

But I think we can probably, without an agreement, wrap this up in about an hour total. I would just say we just had a vote on the Byrd amendment, which was defeated. Thirty-nine Senators voted to raise taxes; 57 voted against raising taxes.

Now we are getting down to the real issue of whether or not we are going to

vote on the balanced budget amendment. We are not going to be able to do that unless we invoke cloture. I hope that some of my colleagues who have talked about a balanced budget amendment, cosponsored a balanced budget amendment, voted on a balanced budget amendment saying we needed a balanced budget amendment would support cloture. Because, in my view, it is still possible to achieve what some may think is impossible.

If we want a balanced budget amendment, we have to invoke cloture. And I urge my colleagues on both sides, because there are strong sponsors of the balanced budget amendment on both sides. I have read the statements. I have read the RECORD. I have read the names of all the Members on both sides who want a balanced budget amendment. Now we are not going to have a balanced budget amendment unless we invoke cloture. If you are against the balanced budget amendment, do not vote for cloture.

I heard the majority leader earlier say that the Senator from Oklahoma voted against cloture 50-some times. That is because he was against what others were trying to do, so he should have voted against cloture. And if you are against the balanced budget amendment, I assume you will vote against cloture. You cannot have it both ways. If you are for the balanced budget amendment, you vote for cloture. It is that simple.

I think the people understand who was for a balanced budget amendment and who was against a balanced budget amendment. That is all there is to it. That is all there is to it.

This is the most important vote we have made all year. I think maybe from time to time we ought to take a look at what the American people want. Seventy-seven percent of the American people support a balanced budget amendment.

And I say to some, maybe one or two or three, who have not yet decided on the balanced budget amendment, go ahead and vote for cloture while you are thinking about that final vote on the amendment itself. Under the rules in the House, if we should get the necessary votes, it goes back to the House where they take it up immediately.

This is not a dead issue unless somebody has predetermined that it is a dead issue. I have heard a few statements on the floor to indicate, well, we should not be doing this. Why should we not be doing this? There may be a lot of things we should not have done this year, too. We could make a list of what we should have done and should not have done. But I have a feeling most people would say, if you are doing this, it is about the most constructive thing you have done all year in the U.S. Senate.

So just let me repeat, so there will be no mistake about it. Let me make it

perfectly clear, as someone used to say. If you are against the balanced budget amendment, you vote against cloture. If you are for a balanced budget amendment you vote for cloture.

Just as in the last case, if you want to raise taxes, you vote for the Byrd amendment, and if you are opposed to higher taxes—as the Byrd amendment said, you have to raise revenues, the President has to do this by September 2. Congress never had to do anything. No deadline for Congress. It did not say we must agree by December or next January or 10 years from now. So that amendment has been defeated.

We are now in the next stage of the agreement. And I cannot really understand anything that is going to come up in the next month, 2 months, 3 months that is going to be more important than this vote. This is the defining vote.

Some will say oh, there are politics in this. Certainly, there is politics in everything. There was politics in the vote on the House side, and 12 cosponsors caved in to the leadership and voted against the amendment they cosponsored. I do not know how you explain that. You cannot do that in my State. Maybe you can explain it somewhere else. "I cosponsored a balanced budget amendment. It came up and I could have voted for it if I voted for cloture. So I said, it is not going to pass, so I voted no." That is an argument that is hard to sell in the Midwest.

But I hope, Mr. President, that we can move on and invoke cloture and do whatever we have to do in 30 hours and have a vote on the amendment itself. Any germane amendments, obviously, would be in order. But it ought to be clear. We have tried everything else.

In 1985, let me repeat, when we had a tough, tough, tough vote that froze COLA's, that cut spending, did a lot of things, only one colleague on the other side voted for that amendment, the late Senator from Nebraska, Senator Zorinski—one.

So we know about the tough votes on this side. We have made the tough votes on this side. And we are prepared to make the tough votes again. So we are not trying to get off the hook by voting for a balanced budget amendment. Look at the record. I think it is discipline that we are going to have to use. And if someone votes for a balanced budget amendment that becomes a part of the Constitution and we take an oath to support the Constitution, as we do, then you go out and say, "Well, I voted for it, but I am going to vote for all the spending and everything else because I just did that for political cover," I think that person, be he or she a Democrat or a Republican, is going to be in deep, deep political difficulty the next time around.

So, Mr. President, I think the next obvious step ought to be to invoke clo-

ture if you want a balanced budget amendment. If you do not, then I do not see how you can have it both ways. It is one of those votes you cannot have it both ways. You cannot have it both ways and say, "I am for it, but I am not for it now," or "it is too late in the session" or "it is not going to pass the House."

My view is that those 12 Members in the House who cosponsored the amendment and then voted against it are probably under some pressure from the folks back home, at least they ought to be under pressure from the folks back home.

It only takes, as I recall, about seven or eight to get back to their original position for the two-thirds vote to happen on the House side.

So we have a chance to make history right now in the U.S. Senate. The buck stops here. The spotlight is on the U.S. Senate. And if we do not want a balanced budget amendment, OK. That is a decision I hope will be made by invoking cloture and then voting up or down on the amendment itself.

In my view, it is very close, even though we have two absent Members who would vote for cloture and for the balanced budget amendment. Both Senator HELMS and Senator ROTH support the balanced budget amendment, but they are necessarily absent. Both are in the hospital recovering from operations.

Mr. President, this is it. This is high noon at the old corral. We are going to have the vote very soon. Do not tell someone you voted against cloture but you are for a balanced budget amendment. It will not sell.

Mr. MITCHELL addressed the Chair. The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. I ask that Senator BYRD yield to me some time.

Mr. BYRD. I yield some time as he may require to the distinguished majority leader.

Mr. MITCHELL. Mr. President, in the more than two centuries of our Nation's history, this Senate Chamber has often been used for political purposes. But rarely has there been a political exercise as naked, as transparent, as blatant as what the Senate Chamber is now witnessing and what the Senate is being subjected to.

It is not covert. It is not implicit. It has been stated on the Senate floor. Every Member of this Senate, without exception, knows that the balanced budget amendment is dead. It is not going to become part of the Constitution this year. The House has rejected it. It has been defeated. The principal author of the amendment in the Senate described its consideration in the Senate following the House vote as a waste of time.

It is a waste of time.

The issue before us is whether Senators want to participate in a political

charade, in a political game, in an effort to score political points. The only spotlight that is on this Chamber now is the spotlight of this year's political campaign.

It is a transparent effort to generate fodder for the 30-second attack ads to be used this fall. It has nothing to do with balancing the budget—nothing whatsoever. It has nothing to do with serious legislating—nothing whatsoever. This is a naked political exercise, and if someone wants to participate in a political charade, why, then, that person should vote for cloture. But if someone wants to end this political charade, end these political games and permit the Senate to return to serious legislative business, to permit the Senate to discontinue the unconscionable waste of time that has occurred, then you should vote against cloture.

The rules of the Senate permit any one Senator or any group of Senators to subject the Senate to this type of political activity. We all know that any Senator can offer any amendment any time he or she wants, to any bill, whether it has a serious purpose or not; whether it has any prospect of being enacted or not; whether it bears any relationship to the subject being considered or not. And then, by merely signing up 15 other Senators on a cloture motion, you can get a cloture vote.

Every Senator here has voted for or against cloture on many occasions. As I pointed out earlier, the Senator from Oklahoma has voted against cloture 56 times since 1987, probably for a variety of reasons on a variety of other bills. Most Senators—I cannot say everyone—probably voted for or against cloture on many occasions.

But let us be clear on one point. This effort and this vote has nothing to do with balancing the budget. It has nothing to do with serious legislating. It has nothing to do with the public responsibilities of the Senate. It is a blatant, a naked, a transparent political exercise, intended only to create new material for 30-second attack ads this year.

And as to the deficit, the most significant feature of this amendment is that its sponsors insist that it not take effect for 6 years. Do not deal with the problem now—defer it for at least 6 years so that in the meantime those who stand and proclaim that they are serious about the deficit can continue to vote to increase the deficit, as our colleagues have done on so many occasions.

We are going to have an opportunity later this year to vote on a number of measures that will reduce the deficit by billions of dollars; a number of measures. I ask the Members of the Senate, and I ask the American people, and I ask the people from the States of the Senators involved—watch how they vote tonight on this phony political ex-

ercise and then watch how they vote when a real budget-cutting measure is before the Senate. Watch how they vote when a measure comes before the Senate that will cut \$6, \$8, \$10 billion off the deficit now, not wait until 6 years or 8 years or 10 years from now to try to deal with the problem. Then—then the American people will see who is serious and who is not serious.

This political charade has been forced upon the Senate because the Senate's rules do not permit otherwise. But I urge all Members of the Senate to help us end this charade as quickly as possible. It does not make any difference whether you are for a balanced budget amendment or against a balanced budget amendment. What you ought to be doing is saying this is not serious, this is a political game, this ought to end, and the way to end it is to vote against cloture and let us get back to the serious business of the Nation.

Mr. President, I thank my colleague from West Virginia and I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. NICKLES. Mr. President, I yield myself such time as I consume.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, I rise in strong objection to the comments made by the majority leader. The majority leader said this is nothing but a blatant, naked political exercise. I think he is wrong. Some of us believe in and have worked for years to pass a balanced budget amendment. We did the same thing in 1982. We tried to pass a balanced budget amendment in 1982 and 1986, and some of us have tried to have additional votes since then.

Before the majority leader leaves, I might just comment on the fact that we spent 8 days on a campaign reform bill that the Democrats knew darned good and well was not going to become law—8 days. I might add that we had 10 cloture votes on campaign reform. The reason it was being filibustered is it authorized public financing of political campaigns and Republicans did not want taxpayers to finance campaigns. So we filibustered the bill.

The Senate also spent something like 5 days on the motor-voter bill. Again that was a piece of legislation that was not going to become law. That was most definitely political legislation.

The Senate spent 5 days on a tax bill that was structured so poorly that no Republican voted in favor of that bill. And it, of course, was headed for a guaranteed veto. That veto was sustained. The House did not even have a majority to override the veto.

We spent 5 days on striker replacement. Why did we spend 5 days? Again, everyone knew there were enough votes to sustain the veto on striker replacement, but we did it anyway.

So I guess maybe it is OK for the majority leader to say we are playing politics on their issues.

I might also mention the Freedom of Choice Act. We may have significant extended debate on the Freedom of Choice Act. Everyone in both Houses knows that bill will be vetoed, if it gets to the President. I doubt that it will—but if it did get to the President, that veto of course would be sustained as well.

I have been involved in this debate for 2½ days and I, personally, have not made any political comments. I have not impugned anybody's motives. I happen to believe in a balanced budget amendment. I happen to think we need one. We are looking at deficits this year that are crossing the \$350 billion threshold. I think we need to do something different.

Frankly, I listened to a lot of the debate in the House of Representatives, and that further energized me, at least in my desire to pass a constitutional amendment to balance the budget. I did not just happen to put it on the GSE bill. I, frankly, was looking for another vehicle. I wanted to do it on the striker replacement bill or the bankruptcy bill. I wanted to pass it as early as possible. That's why I put a resolution before the Senate in April. I might remind my colleagues that resolution passed with 63 votes and said that Congress shall adopt a constitutional amendment to balance the budget. That debate was not partisan. We had a lot of votes from both sides.

So, yes, we are serious. Some people say this is strictly politics. I disagree. Is politics an element of it? Maybe it is with some people, but some of us want to see this thing happen. Some of us believe it is so important that we should put politics aside and do what is right, and have our Congress and have our country make some decisions that we have not made before.

When I hear my colleague, the majority leader, say we have not taken the tough votes, I might remind my colleague some of us walked in here and voted to freeze every COLA. Senator HOLLINGS had an amendment that many of us supported, to freeze Federal spending. Some of us have had other amendments to freeze Federal spending, either in the Budget Committee or on the floor. We had a proposal by Senator DOMENICI to cap the growth of entitlements.

Some of us have been willing to make some of those tough choices. Some people, evidently, think we are undertaxed. I heard Senator SASSER make a similar comment earlier today. He said, "Well, the reason why we have these enormous deficits was because we cut taxes too much." I look at this tax chart and I see taxes have climbed rather significantly over the last 10 years.

But I see outlays have grown even faster. As a matter of fact, we are look-

I did make a note that during his comments he said the deficit was caused by a humongous tax cut. Maybe I am interpreting that incorrectly, but I guess that would be interpreted to mean we cut taxes too much; therefore, we should not have done that and taxes therefore should be higher.

He also mentioned the military buildup. I just want to point out as to the military buildup, yes, we did have a military buildup. I would say thank goodness; we needed that; we won the cold war; we won the war in the Persian Gulf; we were able to reestablish ourselves as a real leader in the Free world.

I also tell my colleagues that, frankly, I do not think—at least it is this Senator's opinion—the problem with the deficit is that taxes are too low. I think the spending is too high. I make that very clear. I make it very plain. I think we have to do something on the spending side. That is one of the reasons why I happen to be aggressive in my support for a balanced budget amendment.

I supported the amendment that I have introduced with several of my colleagues, but I also supported the amendment by Senator KASTEN that says Congress shall not spend more than the revenues. If Congress can raise the revenues, I guess it can spend it. But I happen to think there should be a limitation.

My friend and colleague from Tennessee said what about Social Security. I will tell my friend and colleague I did not vote for the tax bill in 1983, the so-called Social Security bailout because I thought it was a humongous tax increase, too much on small businesses, too much on people who were trying to survive, too much on self-employed persons.

I used to be a self-employed person. I used to have a janitor service, and I know of somebody paying 15.3 percent on everything that they make and the fact that right now, today, their maximum tax rate is 28 percent. If somebody makes over \$28,500, they pay at the 28 percent tax bracket. You add 15.3 percent Social Security on top of that if they are self-employed, their Federal tax on every dollar they earn is 43.3 percent. You add State taxes on top of that, and all of a sudden they are working for the Government, State and Federal, more than half the time.

I happen to object to that. I think that suffocates business. That does not allow business to grow.

So I feel fairly strongly about it. I feel fairly strongly about this amendment. So I do not want this amendment to get bogged down in partisan debate. I want to pass it. I am very serious in trying to have I agreed to. I am determined to do everything possible to get a vote on it to try to have this amendment agreed to.

Mr. President, I yield the Senator from Texas such time as he desires.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. Mr. President, I ask unanimous consent that at this point in the RECORD we reproduce the names of the cosponsors of the Simon balanced budget amendment to the Constitution.

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

102ND CONGRESS—S.J. RES. 18
(Calendar No: 151 S. Rept. 102-103)

January 14, 1991.

COSPONSORS

Sponsor: Simon
Referred to: Senate Committee on the Judiciary.

Report by: Senate Committee on the Judiciary.

Cosponsor(s): Current (30): Thurmond; DeConcini; Hatch; Heflin; Simpson; Grassley; Shelby (A-01/31/91); Specter (A-02/20/91); Lugar (A-02/20/91); Daschle (A-03/05/91); Lott (A-03/06/91); Wallop (A-06/11/91); Hollings (A-06/11/91); Bryan (A-06/25/91); Reid (A-06/27/91); Roth (A-07/18/91); Bingaman (A-07/30/91); Breaux (A-09/12/91); Dixon (A-09/12/91); Seymour (A-09/12/91); Cochran (A-09/24/91); Smith (A-10/04/91); Conrad (A-03/03/92); Bentsen (A-03/03/92); Murkowski (A-04/02/92); Boren (A-04/09/92); Robb (A-04/28/92); Craig (A-05/12/92); Graham (A-05/19/92); Kohl (A-05/19/92).

Mr. GRAMM. Mr. President, I also ask unanimous consent that we list the names of the 63 Members of the Senate who on April 9 by their vote in essence said the Senate should adopt a balanced budget amendment to the Constitution.

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

ROLLCALL VOTE No. 72 Leg.—APRIL 9, 1992
YEAS—63

Biden, Bond, Boren, Breaux, Brown, Bryan, Burdick, Burns, Chafee, Coats, Cochran, Cohen, Conrad, Craig, D'Amato, Danforth, Daschle, DeConcini, Dole, Domenici, Durenberger, Exon, Ford, Fowler, Garn, Gorton, Graham, Grassley, Harkin, Hatch, Hatfield, Heflin, Helms, Hollings, Kassebaum, Kasten, Kohl, Lott, Lugar, Mack, McCain, McConnell, Murkowski, Nickles, Nunn, Packwood, Pell, Pressler, Reid, Robb, Roth, Rudman, Sanford, Seymour, Shelby, Simon, Simpson, Smith, Specter, Stevens, Symms, Thurmond, Warner.

NAYS—32

Adams, Akaka, Baucus, Bentsen, Bingaman, Bradley, Bumpers, Byrd, Cranston, Dodd, Glenn, Gore, Inouye, Johnston, Kennedy, Kerrey, Kerry, Lautenberg, Leahy, Levin, Lieberman, Metzenbaum, Mikulski, Mitchell, Moynihan, Pryor, Riegle, Rockefeller, Sarbanes, Sasser, Wellstone, Wofford.

NOT VOTING—5

Dixon, Gramm, Jeffords, Wallop, Wirth.

Mr. GRAMM. Mr. President, I try in our debates to stay away from terms like "political charade" because, to tell you the truth, I have always felt that people use names when they do not have logic, that people use a smear when they are short of fact.

But, Mr. President, if there is a political charade tonight, it is a political

charade that is being perpetuated by people who have cosponsored amendments calling for a balanced budget amendment to the Constitution, who have sent out hundreds of thousands of newsletters pounding themselves on the chest, saying I am for a balanced budget amendment to the Constitution, who have run for office over and over and over again saying they are for it and now, in the moment of truth, when we are getting ready to cast a vote on it, all of a sudden they are saying, hey, this is a charade; I am not going to vote for this because it is a charade.

It is a charade, Mr. President, but it is their charade. This amendment is not a charade. This amendment is shooting with real bullets.

Our distinguished majority leader says they are referring to the requirement that the budget be balanced in 6 years. Does anybody believe that we can reduce the deficit by \$400 billion in less than 6 years?

In fact, what the majority leader is doing by trying to kill this amendment is saying let us not do it in 6 years; let us never do it. If we adopt this amendment tonight and it goes back to the House for a vote, which it will under their rules, and if 9 of the 12 members who engaged in a charade by cosponsoring an amendment that when the pressure was on from their leadership, they voted against, if they change their vote, which I believe they will do, if we adopt this amendment tonight, then we are going to have to begin the next day putting together a program to reduce the deficit by some \$60 to \$70 billion next year, and all of these people who have never voted to reduce the deficit in any other way except by raising taxes or slashing national defense are going to have to start putting their vote where their mouth is.

Is this issue dead? Does having Members of the Senate jump up and down and say this issue is dead, this issue is dead, make it dead?

A rule in the House says if we pass this amendment, they have to bring it up and vote on it again, and that includes the 12 people who engaged in the charade of telling their people in their districts one thing and doing another when partisan pressure was on. If we adopt this amendment, it will be voted on again in the House. This is virtually certain, and I believe it will be adopted.

If the Democratic leadership thought this was a charade, if they really thought this amendment was dead, we would not be having this debate tonight. We probably would have adopted this amendment as we did in 1982 when it was not adopted in the House.

We are engaged in a convoluted parliamentary effort to prevent an up-or-down vote precisely because the Democratic leadership of the Senate does not believe this issue is dead. When 77 per-

cent of the people of this country want a balanced budget amendment, as long as democracy is alive, that issue is not dead.

Now, we have heard a lot of talk about cloture, people voting against cloture. I vote against cloture every time that I am against the bill. Cloture is the way that the minority protects its rights by preventing the majority from working its will.

People do not vote against cloture just on some happenstance or how they feel. They vote for cloture when they are for the bill. They vote against it when they are against the bill.

I have voted against cloture many times. And I suspect as long as the Senate is made up the way it is, I will vote against cloture many more times to try to stop bad things—at least by my perception—from happening to America.

But I never vote against cloture when I am for the bill. And anybody who believes that they can vote against cloture, cosponsor a balanced budget amendment, then go back home and say, hey, this was a charade, well, people are going to see it as a charade because they are going to see right through those people like they were branch water.

Now, Mr. President, this is a simple, simple question. If you like the status quo in the Senate where we of all institutions—and I lump it into the Congress—do not have to live by the same rules other people live by in terms of spending money, if you like things the way they are, you want to vote against cloture because if we adopt a balanced budget amendment to the Constitution, it is going to change the way we do business in the Senate and in the House, in the Congress, in the country. And with all my heart I want to change the way we do business. That is why I am going to vote for cloture. That is why I am for the balanced budget amendment to the Constitution.

I am sure there are some who will say, well, I was not against the amendment but I did not want to bring debate to an end. I thought it ought to be debated.

We are under a unanimous-consent agreement where we are only going to get two opportunities: We either get cloture tonight or we get it tomorrow or the balanced budget amendment to the Constitution is dead for the remainder of this session.

So there is only one reason anybody is going to vote against cloture tonight and that is when the chips are on the table, when we were shooting with real bullets, they were against the balanced budget amendment to the Constitution, and I thank God, Mr. President, for many things, but I thank God that I do not have to go back home and explain to my constituents how I am for the balanced budget amendment, how I cosponsored it, and yet when it came to a vote, I voted to kill it.

I guess we all think because we have been elected that we have political skills, but my political skills are not good enough to convince the people of Texas that I am shooting straight with them when I tell them I am for something and then I vote to kill it. The people of Texas are smart. The people of America are smart. That is why I am hopeful, despite the fact that I know there is immense pressure to vote against cloture and against the balanced budget amendment to the Constitution. I still hope that we might yet do something worthy of being remembered in this Congress, that we might yet set the ship of state straight, that we might yet adopt a balanced budget amendment to the Constitution.

I yield the floor.

Mr. NICKLES. Mr. President, I compliment my friend and colleague, Senator GRAMM, for his statement.

I ask unanimous consent that Senator SEYMOUR be recognized to manage the time on this side.

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

Mr. SEYMOUR. Mr. President, how much time do we have remaining on our side?

The PRESIDING OFFICER. There remains 33 minutes and 21 seconds.

Mr. SEYMOUR. Mr. President, I yield 3 minutes to Senator SYMMS.

Mr. SYMMS. Mr. President, I thank the Senator from California and I thank him for his efforts to try to bring the balanced budget amendment before the Senate.

Mr. President, I think it should be commented on, the remarks of our distinguished and able majority leader, is comparing apples with oranges and talking about cloture votes. I agree with the Senator from Texas. I vote against cloture on most of the bills that come up before the Senate. And, the reason I do is most of the bills that come before the Senate call for more government.

I appeal to my colleagues on the other side of the aisle, the National Democrat Party, the holy grail of the National Democrat Party in the eyes of the American people is more government, big government. Big government is what they are talking about. This is a political issue. It is a philosophical difference of opinion on how we see the world and how we think it should operate.

What does it take, Mr. President, to penetrate the armor of this body and the majority that is ensconced in power in the other side of the Capitol and here in this body? It will take an election and the early retirement of some Members of this and other body in order to get this Congress straightened out with the American people.

The whole world is crying out to be free from oppression, free from too

much government. The world is asking for freedom. It has happened all across Eastern Europe, all across Asia, Europe, and the former Soviet Union. People are asking for freedom from too much government. However, here in the Congress of the United States we are giving it to them by the bushel basket full. The other side of aisle wants to regulate everything from the motor voter to election law to the environment. Their goal to regulate this, to regulate that, so that no one can do anything without having a Government regulator tell them how to do it.

I said this earlier this afternoon to the Senator from Arizona when he spoke. No wonder the babies cry when they are brought into the world here in the United States. They are in debt \$16,000 on the date of their birth. Because of this, the Congress and the Government of the United States do not create any wealth. It only takes wealth from people who earn it and pass it out to someone else.

My good friend, the Senator from Nebraska, who I have sat on the Budget Committee with for some 12 years, said I know this balanced budget amendment is not going anywhere. It is a waste of time.

Mr. President, that is what the American people are mad about, because they do not think it is a waste of time. They wish that this Senate would pony up, stand up, belly up to the bar and vote for a constitutional amendment and chain the Congress down with the Constitution, as Jefferson suggested. I do not know what it takes to get this point across.

Then I hear the distinguished chairman of the Budget Committee and over and over he tries to revise history. Entitlement spending is where the money is being spent. Even Willie Sutton, the bank robber, knew the reason why you rob banks because that is where the money is. We are not going to balance the budget until we look at where the money is being spent. We continue to look at the military spending, the appropriations spending that might build some infrastructure in this country and we will talk about that, but we will not want to talk about entitlement outlays.

When the Senator from Kansas was the majority leader here, he did bring the budget in order. We carried one Senator in here on a stretcher, Senator Wilson, from California, who preceded Mr. SEYMOUR, so he could vote. We voted on these hard votes. We would have brought down this entitlement spending—it would have been reduced significantly. We would have a balanced budget today. But, like Senator DOLE said, only one Member of the other side of the aisle voted with us. There is a difference between the two parties here.

I appeal to my colleagues in the Democrat Party to vote for cloture so

we can have a vote for a constitutional amendment to balance the budget, so we can do something in a bipartisan spirit that the American people want.

People wonder why an Independent candidate can be so popular. One of the reasons is because the majority here in this Congress has a lock on spending, and they want to keep the spending machine going so they can keep their special interest groups lined up at the polls. It is high time we get past that. I urge my colleagues to vote for closure.

Mr. SARBANES. Will the distinguished President pro tempore yield me a minute?

Mr. BYRD. Yes. I yield 1 minute.

Mr. SARBANES. I am not clear. What party was the Senator referring to that he said he would cooperate with?

Mr. SYMMS. Mr. President, what I am saying is I would like to see the Democrats and the Republicans get together in a bipartisan spirit.

Mr. SARBANES. What was the name of the party?

Mr. SYMMS. The National Democrat, Democratic Party. The Democrat Party.

Mr. SARBANES. Democrat or Democratic Party? The name of our party is the Democratic Party.

Mr. SYMMS. The Democratic Party. I stand corrected.

Mr. SARBANES. I thank the Senator very much. You are appealing for bipartisanship. You cannot even give the right name of the party. I do not call yours the Republic Party.

Mr. SYMMS. The Senator gets very excited.

Mr. SARBANES. No. The Senator from Idaho has done it consistently. The Senator from Idaho has consistently refused to use the proper name of our party and then he stands over there and makes some appeal for bipartisanship.

Mr. SYMMS. Mr. President, I do not know what that has to do with the issue but I would just say to my colleagues that I hope we could have some bipartisanship here and give the American people what they are crying out for, which is a balanced budget.

Mr. SARBANES. The beginning of bipartisanship, I suggest to the Senator, is to treat the other party with some measure of respect.

The PRESIDING OFFICER. Who yields time?

Mr. SEYMOUR. Mr. President, I would like to yield 5 minutes to the junior Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho is recognized for 5 minutes.

Mr. CRAIG. I thank my colleague from California for yielding. Let me read something that I think we all know by heart. But I want to read it so I do not make a mistake tonight.

We the people of the United States, in order to form a more perfect Union,

establish justice, ensure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings—let me repeat this—and secure the blessings of liberty to ourselves, and our posterity, do ordain and establish this Constitution for the United States of America.

Tonight we are debating a constitutional amendment. It is our charge, understood under that preamble, to establish, to assure, to secure the blessings of liberty to ourselves and our posterity.

There are allegations tonight of a political charade. Let us talk about the charade that is currently being played and has been played out for over a decade in this Congress—not the one tonight, if there is one, but the one that we deal with on a daily basis. In fiscal year 1993, interest on the national debt is expected to total \$316 billion. This is the largest item in the budget for 1993, at 21 percent of all Federal spending.

Charade No. 1, Mr. President: More than the total revenue of the Federal Government in 1976.

Charade No. 2: 105 percent of Social Security payments.

Charade No. 3: \$7,005 per American family of four.

Charade No. 4: \$677 billion per week; \$866 million per day; \$600,218 per minute. Or \$10,020 per second.

Charade No. 5: Politics. It is played out every day here on the floor of the U.S. Senate. Politics is our business. It is not a shameful task. But charades are, and the charade that this Senate has engaged in for well over a decade, to say that you can continue to spend and somehow the American people will not recognize that we are destroying the liberty, the blessings of liberty that we are to assure to our posterity has to be the greatest charade of all. A \$316 billion deficit is 61 percent of all individual income tax revenues for fiscal 1993.

Charade No. 6: The national debt has now topped \$3.9 trillion. The Federal Government has run deficits in 53 out of the last 61 years, or 30 out of the last 31. And that is a charade number that I have now misplaced, because we are playing entirely too many to keep track of. The national debt has increased 1,240 percent since 1960; 620 percent since 1975; 329 percent since 1980, and 114 percent since 1985.

Mr. President, that is what we talk about tonight. That is the business of this Senate; that is the business of the American people. Why are they concerned today? Why are they expressing more disfavor with their politicians than probably in our Nation's history? Because one too many charades has been played.

It is now time that the business of this Senate be a balanced budget amendment to the Constitution. It will be argued tonight, as it has been in the past, that it is only putting the process

off. It is beginning the process. It is, for the first time, engaging this Senate in the responsible task, and a way of playing it out, in a process and a procedure in which there is no stop-go.

And then the charades begin to stop. It took over 200 years to accumulate our first \$1 trillion worth of national debt. Fiscal 1991, 1992, and 1993 will increase the national debt with an additional trillion dollars. That is charade impossible. That is the reality of the debate tonight. That is what is at issue here. That is what we have to deal with.

I yield the remainder of my time.

Mr. BYRD. Mr. President, I yield myself such time as I may require.

Mr. SARBANES. Will the chairman yield me a minute to make a point?

Mr. BYRD. Yes.

Mr. SARBANES. Mr. President, in view of the comments just made by the Senator from Idaho, I would like to point out to the body the charade that we just heard. This chart shows the additions to the Federal debt.

The Senator talked about the fact that we now carry a large interest charge on the Federal debt. This shows the debt under Kennedy, Johnson, Nixon, Ford, and Carter. Then you get this very large jump under Reagan in his first term, and an even larger jump under Reagan in this second term.

There is a huge jump, almost a 50 percent jump again under Bush in his first term. And the administration itself is projecting that in the next 4 years, if President Bush gets a second term, the debt will rise even more. This is what happened to the debt on their watch.

The able Senator from Tennessee pointed out earlier that this run-up in the debt was the result of eroding the tax base and boosting defense expenditures. The consequence of that now is to create a large debt. In the two Reagan terms and the Bush first term there was an accumulation of over \$3 trillion in debt.

Before that time, the total debt was less than \$1 trillion. Throughout the whole history of the Republic, up until that point, the debt was less than \$1 trillion; \$3 trillion was added under Reagan and Bush. And, the President is projecting adding another \$1.5 trillion in the next 4 years.

I thank the chairman for yielding.

Mr. BYRD. Mr. President, speaking of charades, let me quote David Stockman. May I say to my good friends, David Stockman tells us about a real charade. First, he speaks of it in his prologue. I say to my friend from New Mexico, Mr. DOMENICI. He speaks of it on page 13 of the book "The Triumph of Politics."

First, in his prologue, and I quote him:

After November 1981, the administration locked the door on its own disastrous fiscal policy jail cell and threw away the key. The

President would not let go of his tax cut. Cap Weinberger hung on for dear life to the \$1.46 trillion defense budget. Jim Baker carried around a bazooka, firing first and asking questions later of anyone who mentioned the words "Social Security." Deaver, Meese, and the others ceaselessly endeavored to keep all the bad news out of the Oval Office and off the tube. The nation's huge fiscal imbalance was never addressed or corrected; it just festered and grew.

Now I quote from the epilogue in Mr. David Stockman's book, turning to pages 378 and 379:

By the end of 1985 the economic expansion was three years old and the numbers demonstrated no miracle. Real GNP growth had averaged 4.1 percent—an utterly unexceptional, prosaic business cycle recovery by historical standards, and especially so in light of the extraordinary depth of the 1981-82 recession. The glowing pre-election GNP and employment numbers, therefore, had manifested only the truism that when the business cycle turns down, it will inevitably bounce back for a while.

Still, the White House breastbeating had to do with the future, and that depends upon the fundamental health of the economy and the soundness of policy. Yet how can economic growth remain high and inflation low for the long run when the administration's de facto policy is to consume two thirds of the nation's net private savings to fund the federal deficit?

The fundamental reality of 1984 was not the advent of a new day, but a lapse into fiscal indiscipline on a scale never before experienced in peacetime. There is no basis in economic history or theory for believing that from this wobbly foundation a lasting era of prosperity can actually emerge.

Indeed, just beneath the surface the American economy was already being twisted and weakened by Washington's free lunch joy ride. Thanks to the half-revolution adopted in July 1981, more than a trillion dollars has already been needlessly added to our national debt—a burden that will plague us indefinitely. Our national savings has been squandered to pay for a tax cut we could not afford. We have consequently borrowed enormous amounts of foreign capital to make up for the shortfall between our national production and our national spending. Now, the U.S. economy will almost surely grow much more slowly than its potential in the decade ahead. By turning ourselves into a debtor nation for the first time since World War I, we have sacrificed future living standards in order to service the debts we have already incurred.

Borrowing these hundreds of billions of dollars has also distorted the whole warp and woof of the U.S. economy. The high dollar exchange rate that has been required to attract so much foreign capital has devastated our industries of agriculture, mining, and manufacturing. Jobs, capital, and production have been permanently lost.

All of this was evident in 1984, and so was its implication for the future. We had prosperity of a sort—but it rested on easy money and borrowed time. To lift the economy out of recession against the weight of massive deficits and unprecedented real interest rates, the Fed has had to throw open the money spigots as never before. This in turn has stimulated an orgy of debt creation on the balance sheets of American consumers and corporations that is still gathering momentum today. Its magnitude is numbing. When the government sector's own massive debt is included, the nation will shortly owe

\$10 trillion—three times more than just a dozen years ago.

One thing is certain. At some point global investors will lose confidence in our easy dollars and debt-financed prosperity, and then the chickens will come home to roost. In the short run, we will be absolutely dependent upon a \$100 billion per year inflow of foreign capital to finance our twin deficits—trade and the federal budget.

Then turning to page 393 of Mr. Stockman's book, I again quote Mr. Stockman:

Folly has begotten folly, and the web has become hopelessly entangled in a five-year history of action and reaction. But the politicians of both parties still have a sound and valid reason for disengaging from the Reagan Revolution's destructive aftermath. A radical change in national economic policy was not their idea; economic utopia was not their conception of what was possible in 1981 when the policies of the past collapsed. Republican and Democratic politicians together can tell the American people that a few ideologues made a giant mistake, and that the government the public wants will require greater sacrifices in the future in the form of the new taxes which must be levied.

Mr. President, I think that David Stockman spoke of the greatest charade of all, and it speaks for itself, and so much for that.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 32 minutes and 11 seconds remaining.

Mr. BYRD. Mr. President, extended debate is of ancient origin. Plutarch reported that when Caesar returned to Rome from a sojourn in Spain, his arrival happened at the time of the election of consuls. Caesar applied to the Roman Senate for permission to stand as a candidate, but Cato the Younger, also referred to as Cato the Philosopher, opposed Caesar's request, and attempted to prevent Caesar's success by gaining time. And, with that view in mind, Cato spun out the debate until it was too late to conclude upon anything that day.

We are now, I believe, in the third or fourth day of the debate on the constitutional amendment to balance the budget, and we are rapidly approaching a moment when the first cloture vote will occur. We have reason to hope that cloture will not be invoked today and that it will again fail on tomorrow. However, should cloture be invoked either today or tomorrow, we will be brought face to face with a vote up or down on the constitutional amendment, and should such vote occur and should the amendment be adopted and subsequently sent to the States for ratification, the consequences of our vote here could be far-reaching, indeed, and, in the end, could shake the pillars of our constitutional system to their utmost foundation.

As I said today earlier, no one really knows what the consequences of adopting this constitutional amendment and its ratification later would really be.

Should the amendment be finally grafted onto the Constitution and were it to fail of enforcement, the Constitution would be demeaned and cheapened. And there are those who believe that the amendment would, indeed, not be enforced. I happen to believe that it would be enforced. But if it were not enforced, if the Constitution could thus be rendered meaningless and unenforceable in one particular, it would suffer overall.

But, on the other hand, Mr. President, should the President decide that the amendment clothes him with the responsibility and authority to take whatever action is needed to bring outlays and receipts into line or if the Congress should take action under section 6 of the new article to invest in the President a line-item veto or enhanced rescissions or impoundment authority, the people's branch—the legislative branch—will become the weakest branch.

Montesquieu said that, in a tripartite government, the judicial branch is the weakest branch. Hamilton, in Federalist Paper 78, said that the executive not only dispenses the honors, but holds the sword of the community. He said that the legislature not only commands the purse, but prescribes the rules by which the rights and duties of every citizen are to be regulated. He said that the judiciary, on the contrary, has no influence over either the sword or the purse, and he went on to say that the judiciary is, beyond comparison, the weakest of the three departments of power.

Mr. President, if this constitutional amendment were to be adopted here, and later in the other body, as some seem to think it would be, and then were ratified by the necessary three-fourths of the States, in my judgment, the legislature would no longer have command over the purse and no longer would the judiciary be the weakest of the three branches. Madison said, in No. 48 of the Federalist Papers, that the legislative department alone has access to the pockets of the people.

Mr. President, if this amendment were somehow to be grafted onto the Federal Constitution, no longer could it be said with Madison that the legislative department alone has access to the pockets of the people.

The floodgates would be open to litigation in the courts. The judiciary would share the taxing and appropriations powers of the legislative branch.

We have only to look at the experience of States where the courts have been drawn into situations involving the balancing of State budgets. The case of Missouri, et al., versus Jenkins, et al. involving the Kansas City, MO, school district, clearly nails down the proposition that a court can direct a local government body to levy its own taxes. And one step can lead to a further step and then to a further.

The Supreme Court of the United States is venturing more and more into the political thicket. No longer could we rest assured concerning Madison's statement that the legislative department alone has access to the pockets of the people. The long hand of the courts would extend itself in due time, likewise, into the pockets and the purse of the people.

The constitutional system, as handed down by the Founding Fathers, would be changed. Its checks and balances and separation of powers would be undermined. The people's power over the purse, invested in their elected representatives through the struggles of a thousand years of Anglo-American history would be swept away.

Make no mistake about it, I say to Senators, as Senator DOLE earlier said, this is an important cloture vote. I would go further to say that no other cloture vote that Senators here today have ever cast will rival this one in its significance for this institution and the future of the Nation.

If cloture should be invoked, and if this constitutional amendment should be adopted by the necessary two-thirds vote, those in this body—and there are those in this body—and elsewhere who have longed to bring about a massive transfer of legislative power to the executive will have achieved their goal. The judicial branch which, as Montesquieu said, was the weakest branch in a tripartite Government, and which, in Hamilton's view, wielded neither the sword nor the purse, would, by virtue of this change in the Constitution, be made more powerful than the legislative branch and would have its hand on both the purse and the sword.

Mr. President, while the last members of the constitutional convention were signing the Constitution, Madison, in his notes, said that Dr. Franklin, looking toward the President's chair and at the painting behind it, which was a painting of the rising sun, stated to a few members who were near him, that painters had found it difficult, in their art, to distinguish a rising, from a setting sun.

He went on to say something to this effect: "I have often and often, in the course of the session, and the vicissitudes of my hopes and fears as to its issue, looked at that behind the President, without being able to tell whether it was rising or setting; but now at length, I have the happiness to know that it is a rising, and not a setting sun."

Mr. President, I truly believe that the wisdom of the Framers has guided this Nation for over 200 years, and throughout all of its vicissitudes, in wars and in peace, in prosperity and adversity, that rising sun which Franklin saw behind the President's chair has steadily moved upward toward its meridian.

This is not just another cloture vote. I have cast many of them. I have voted

for cloture and I have voted against cloture. There was a time in my early years in the Senate when I said I would never vote for cloture on anything. I changed my mind. James Russell Lowell said that only the foolish and the dead never change opinions. I changed my mind, and I have subsequently voted for and against cloture. On one occasion, I spoke for 14 hours and 13 minutes in this Senate in opposition to a measure.

But this is not just another cloture vote.

If this cloture vote fails, which I hope it will and hope tomorrow morning's vote will also fail, those of us who vote against closing this debate may never know the true measure and importance of the position which we upheld. But indeed, if cloture should be invoked, those of us who opposed it, at least some of us, will live to see that our vote was right, because the invoking of cloture, should it be followed by the adoption of this constitutional amendment, will have turned the face of this institution and the Nation toward a setting sun.

I believe that, if this amendment were to be riveted into the Constitution, it would be enforced. I think the President would feel a responsibility to obey what he would see as a mandate in the amendment, I think that eventually there would be a line-item veto, enhanced rescissions, impoundments, all of which, then, would bring the courts into the thicket—the political thicket. I think that the people's branch would become the weakest of the three branches.

Montesquieu's statement that the judiciary is the weakest of the three branches, and Madison's statement in the Federalist No. 48, that "the legislative department alone has access to the pockets of the people," and Hamilton's statement that the legislature "commands the purse", all of these statements would be turned on their heads.

The great losers in this outcome would be the people themselves, because it would be their elected representatives in the legislative branch who would no longer have the people's power over the purse.

I think that the Senate's sun will be well on its way toward its setting if this constitutional amendment were ever to be adopted. The Founders demonstrated great wisdom in drawing up a constitutional system in which the legislative branch, the branch of the people, had control over the purse. Are we wiser than the Framers?

And so this is a key vote, the most important cloture vote that I shall have ever cast, in my judgment. We ought to ponder very carefully what we are doing. Let us not listen too much to the political statements that have been falling like English arrows at the battle of Crecy, or at the battle of Poitiers—or at Agincourt, where they

fell like snow. Let us not listen to all of these political arguments from one side or the other. Let us think of this institution.

Let us think of this institution. As I have said on previous occasions, most of us would have given our right arm to become a Member of this body. I was the 1,579th of the 1,799 Members, men and women, who have graced this body since it first met in 1789.

I did not come here to weaken this body. I did not come here to destroy it. I did not come here to undermine the people's power over the purse, a power which is assured to the legislative branch by virtue of the wisdom of the Framers of the Constitution, and by virtue of their knowledge of English history, and their knowledge of the struggles of Englishmen and the blood shed by Englishmen in wresting from tyrannical monarchs the power over the purse. The colonial legislatures modeled themselves after the parliament in the motherland.

No, Mr. President, I will not act to weaken this body or to weaken the constitutional system of checks and balances and separation of powers.

Vespasian, a Roman emperor who reigned from A.D. 69 to 79, said, "An emperor ought to die standing."

I say to my good friend from New Mexico, whose heritage goes back to that great land which saw one of the greatest empires of all time. Vespasian was an emperor who said when he was about to die, "An emperor ought to die standing." And he wanted others to lift him, so that he could die standing.

I say, a Senator ought to die standing. He ought to die standing for his country, and for this institution and for the Constitution which created the three departments of Government. He ought not to die running.

There are those who sincerely and conscientiously believe in this amendment. There are those of us who know better.

I have heard Senators on both sides of the aisle who have come to me and said that they do not like this amendment, but for political reasons they are going to vote for it. Some of my friends have said the President has gone all out for it and they would, therefore, vote for it, but their hearts are not in it.

Those of us who, in our hearts know that it is not the right thing, even though it could mean political extinction, let us Senators die standing. Not running.

I want to be able to pass on—or to see passed on—to my children and grandchildren the kind of constitutional system that was handed down to us by those who preceded us.

Tacitus said, "As you go into battle, remember your ancestors and remember your descendants."

So, in the spirit of these lines by Kipling, Mr. President, then let us act to

remember our ancestors and our descendants:

Our fathers in a wondrous age,

Ere yet the Earth was small,

Ensured to us an heritage,

And doubted not at all,

That we, the children of their heart,

Which then did beat so high,

In later time should play like part

For our posterity.

Then fretful murmur not they gave

So great a charge to keep,

Nor dream that awestruck time shall save

Their labour while we sleep.

Dear-bought and clear, a thousand year

Our fathers' title runs.

Make we likewise their sacrifice,

Defrauding not our sons.

The PRESIDING OFFICER. Who yields time?

The Senator from California is recognized.

Mr. SEYMOUR. Mr. President, I yield 5 minutes to the distinguished Senator from Arizona [Mr. MCCAIN].

Mr. MCCAIN. Mr. President, before my time, I would like to make a parliamentary inquiry as to the parliamentary situation that we are in.

Is it true that there will be after the expiration of time a cloture vote which will then be followed tomorrow by another cloture vote, and then if cloture is not voted upon in a positive fashion by this body, in other words, cutting off debate, then the balanced budget amendment will be dropped and under the previous unanimous-consent agreement will no longer be taken up for the remainder of this year; is that an accurate description?

The PRESIDING OFFICER. The Senator is correct.

Mr. MCCAIN. Thank you very much, Mr. President. I think it is important that this debate be noted in that context because the fact is that if cloture is not invoked, we are not just talking about closing off debate. We are talking about the end of the balanced budget amendment debate for this year. It is over at some time tomorrow if we are unable to obtain a sufficient number of votes to invoke cloture; in other words, cut off debate.

Mr. President, I would like to start off by thanking the distinguished chairman of the Appropriations Committee for, as always, a very scholarly erudite, and enlightening exposition of his views, and I certainly understand and appreciate the position that he takes on this very critical issue. I want to congratulate him on his emphasis on the criticality of this vote because his words, Mr. President, are in direct contradiction of that of the majority leader who stood before this body and said it was—and I quote—“a charade,” “has nothing to do with a balanced budget amendment,” et cetera, et cetera.

Mr. President, I want to strongly align myself with the words of the distinguished chairman of the Appropriations Committee that this is perhaps one of the most critical votes that we

have ever cast. And I hope that the distinguished majority leader will pay close attention to the remarks of the distinguished chairman of the Appropriations Committee.

Mr. President, I would like to comment on a couple of statements that the distinguished chairman made. He said “Only the legislature can have access to the pockets of the people.”

That is what we are talking about here, Mr. President. We have had access to the pockets of the people, and we have picked them clean. As only the Congress of the United States can do, and in the words of the spokesperson from the National Taxpayers Union, “We are continuing to spend from that empty pocket.”

And how are we doing that, Mr. President?

We are doing it by mortgaging the future of the children of America. We have placed a \$16,000 debt on every man, woman, and child in America, and it cannot continue. The distinguished chairman also said, “The legislature, if this balanced budget amendment is enacted, will no longer command the power of the purse.”

That means a couple of things to me, Mr. President. One is that we do command the power of the purse. It is not Mr. Stockman's fault, it is not Mr. Reagan's fault, it is not Mr. Bush's fault, it is not anybody's fault but the Congress of the United States of America who, in the words of the chairman, command the power of the purse. And those who command the power of the purse have the power to stop the profligate, obscene spending which has been the trademark of this Congress.

I am certainly grateful to know, in the words of the chairman of the Budget Committee, that we will have a chance to cut the deficit because recently there have been other chances and opportunities and, clearly, they failed, if one would look at the dramatic growth of outlays—little items like \$4 billion *Seawolf* submarines.

We had a vote the other day, Mr. President, that was to level—level—the funding for the Corporation for Public Broadcasting. What did we get, 30 votes?

So I hope we will have that opportunity very soon to make significant cuts, because the history of this body shows that it is out of control, and the American people know it and the American people are demanding change.

The distinguished chairman of the Appropriations Committee said no one knows the consequences of a balanced budget amendment. I agree with that statement. But, Mr. President, we do know the consequences of business as usual. We do know the consequences of business as usual in this Congress which has bankrupted America.

Mr. President, the only way we are going to get our house in order is by

forcing it upon the Congress of the United States what the people want.

I will conclude by mentioning some facts. The facts are that 80 percent of the American people think we are on the wrong track. The facts are 17 percent of the American people approve of the Congress of the United States and our conduct. They want change. They want fiscal sanity. They want to stop this profligate spending which affects America in every possible way, including our inability to compete with foreign countries.

Mr. President, the American people demand change, they deserve it, and they are going to get it, one way or the other. They are going to get it either by action of this body or they are going to get it through the electoral process and the ballot box.

The PRESIDING OFFICER. The Senator has used his 5 minutes.

Mr. MCCAIN. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. SEYMOUR. Mr. President, may I inquire as to the remaining time on our side?

The PRESIDING OFFICER. The Senator from California has 16 minutes and 47 seconds.

Mr. SEYMOUR. Mr. President, I yield 5 minutes to the distinguished Senator from New York [Mr. D'AMATO].

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. D'AMATO. Mr. President, I want to commend the Senator from Arizona, Senator MCCAIN, for his very erudite presentation.

Let me make a little analogy of what I think is taking place. I remember some years ago in local government dealing with some very difficult problems, and it seemed to me at that time that we could not do it alone; that we did not have the resources, the ability. I am talking about handling solid waste. It is a nice way for saying garbage.

I want to tell you some things. I saw more public officials who ran the worst landfills in America, who polluted the water, who polluted the environment but, boy, they would not give up the power even if it meant that someone could come in from the private sector, do it better, do it cheaper and run it more effectively for the people. It is the nature of the political animal not to give up the power, and that is why we are in the trouble we are in. It can be laid very fairly to lots of people.

The distinguished chairman of the Appropriations Committee read some very damning facts from the former Budget Director. There is no disputing it. There is lots of blame to put out but we just do not want to give up the power. And the fact of the matter is that if we have a balanced budget amendment, and if we obtain cloture, that will move us one step closer to the possibility of bringing that about.

Why, then, there will be a loss of power. We will not be able to continue the spending and spending and meeting all the demands that come, and by the way, many of them are good, they are legitimate.

We do not have the courage to say no. We are like the fellows who are running that landfill system who just did not want to give it up even though they cannot handle it. We cannot handle it today. The special interest groups are too powerful and that is not some bad guy representing corporate America.

How do you say no to seniors who are in need and have programs in housing and home heating assistance, mass transportation, medical research, drug treatment, and law enforcement? And these are good programs and they are necessary.

So we say yes to all of them. Somebody comes down and offers an amendment and he offers more for his drug treatment program and so we do not want to be accused of voting against moneys for drug treatment, so we all vote yes. And someone else comes in for more medical research and it is necessary and none of us want to say we are against it, and we vote for it, and on and on it goes.

Do you really think we are going to change and develop political courage? Do you really think we are going to suddenly get the kind of courage to say, no, we have to cap spending, we have to live within our means, we are killing the productivity of this country?

Do you know why people cannot get money in the commercial sector, and why the economy is lagging? Because the banks are borrowing and buying more long-term Federal debt than ever before. They have increased the purchasing of long-term Federal debt by about 25 percent and they have cut back on commercial loans. Why? Because they have the Government that needs the money, and so your private sector is competing.

If we want to turn this economy around—and I hear all this talk about the economy—then we need to do something now and we send a strong signal by passing a balanced budget amendment.

And we send a strong signal by passing a balanced budget amendment. Just like the local officials who could not handle the job when it came to manage the landfill, we are not doing the job here. It is about time we recognize it. We need that discipline, the discipline to say, yes, we cannot give more; we cannot spend more; we are curtailed by this legislation. Does it mean giving up some power? Yes. But I think we have demonstrated that we are inadequate to the task as a body. That is sad, but it is true.

The PRESIDING OFFICER. Who yields time?

Mr. SEYMOUR. Mr. President, I yield 5 minutes to the distinguished Senator from New Mexico [Mr. DOMENICI].

Mr. DOMENICI. I thank the Senator very much.

Mr. President, I would like to make four points. First, I congratulate the distinguished chairman of the Appropriations Committee. I did not hear any remarks by the Senator that spoke of this exercise tonight as one of politics. I heard it from others. I heard it from the distinguished majority leader. Frankly, Mr. President, if there are politics on this side—and, frankly, I believe that many Senators on this side truly believe this constitutional amendment is the only way to solve the fiscal dilemma of this Nation—let me assure the Senate that there is plenty of politics on that side. And I will say it right. There is plenty of politics by the Members on that side of the aisle who are members of the Democratic Party.

I have now, and I will introduce it in the RECORD, the June 5, 1992 vote. During this very month this vote occurred. Twenty Members on that side voted on a Don Nickles amendment that it was the sense of the Senate we should pass a constitutional amendment.

I ask unanimous consent that the list be made a part of the RECORD. It will be self-explanatory as the list appears.

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

HOW THE VOTES FALL

	1982	1986	1992
Adams (D-WA)*			N
Akaka (D-HI)			N
Baucus (D-MT)	N	N	N
Bentsen (D-TX)	Y	Y	N
Biden (D-DE)	N	N	Y
Bingaman (D-NM)		Y	N
Bond (R-MO)*			Y
Boren (D-OK)	Y	Y	Y
Bradley (D-NJ)	N	N	Y
Breaux (D-LA)*			Y
Brown (R-CO)			Y
Bryan, Richard (D-NV)			Y
Bumpers (D-AR)*	N	N	N
Burdick (D-ND)		N	Y
Burns (R-MT)			Y
Byrd, Robert (D-WV)	Y	N	Y
Chafee (R-RI)		N	Y
Coats (R-IN)*			Y
Cochran (R-MS)	Y	Y	Y
Cohen (R-ME)	N	N	Y
Conrad (D-ND)*			Y
Craig (R-ID)			Y
Cranston (D-CA)	N	N	N
Danforth (R-MO)	Y	Y	Y
Daschle (D-SD)*			Y
DeConcini (D-AZ)	Y	Y	Y
Dixon, Alan (D-IL)*	Y	Y	Y
Dodd (D-CT)*	N	N	N
Dole (R-KS)*	Y	Y	Y
Domenech (R-NM)	Y	Y	Y
Durenberger (R-MN)	Y	Y	Y
D'Amato (R-NY)*	Y	Y	Y
Exon (D-NE)	Y	Y	Y
Ford, Wendell (D-KY)*	N	Y	Y
Fowler (D-GA)*			Y
Garn (R-UT)*	Y	Y	Y
Glenn (D-OH)	N	N	N
Gore (D-TN)		Y	N
Gorton (R-WA)	N	N	Y
Graham, Bob (D-FL)*			Y
Gramm, Phil (R-TX)		Y	Y
Grassley (R-IA)*	Y	Y	Y
Harkin (D-IA)		Y	Y
Hatch (R-UT)	Y	Y	Y
Hatfield (D-OR)	Y	N	Y
Heflin (D-AL)	Y	Y	Y
Helms (R-NC)	Y	Y	Y
Hollings (D-SC)*	Y	Y	Y
Inouye (D-HI)*	N	N	N

HOW THE VOTES FALL—Continued

	1982	1986	1992
Jeffords (R-VT)			N
Johnston, Bennett (D-LA)	Y	Y	N
Kassebaum (R-KS)	N	N	Y
Kasten (R-WI)*	Y	Y	Y
Kennedy, Edward (D-MA)	N	N	N
Kerrey, Bob (D-NE)			N
Kerry, John (D-MA)		N	Y
Kohl (D-WI)			N
Lautenberg (D-NJ)			N
Leahy (D-VT)*	N	N	N
Levin, Carl (D-MI)	N	N	N
Lieberman (D-CT)			N
Lott (R-MS)			Y
Lugar (R-IN)	Y	Y	Y
Mack (R-FL)			Y
McCain (R-AZ)*			Y
McConnell (R-KY)		Y	Y
Metzenbaum (D-OH)	N	N	N
Mikulski (D-MD)*			N
Mitchell, George (D-ME)	N	N	N
Moyihan (D-NV)	N	N	N
Murkowski (R-AK)*	Y	Y	Y
Nickles, Don (R-OK)*	Y	Y	Y
Nunn (D-GA)	Y	Y	Y
Packwood (R-OR)*	Y	Y	Y
Pell (D-RI)	N	Y	Y
Pressler (R-SD)	Y	Y	Y
Pyor (D-AR)	Y	Y	N
Reid (D-NV)*			Y
Riegle (D-MI)	N	N	N
Robb (D-VA)			Y
Rockefeller (D-WV)		N	N
Roth, William (R-DE)	Y	Y	Y
Rudman (R-NH)*	Y	Y	Y
Sanford (D-NC)*			Y
Sarbanes (D-MD)	N	N	N
Sasser (D-TN)	Y	Y	N
Seymour (R-CA)			Y
Shelby (D-AL)*			Y
Simon (D-IL)	Y	Y	Y
Simpson (R-WY)	Y	Y	Y
Smith, Robert C. (R-NH)			Y
Specter (R-PA)*	Y	Y	Y
Stevens (R-AR)	Y	Y	Y
Symms (R-ID)*	Y	Y	Y
Thurmond (R-SC)	Y	Y	Y
Wallop (R-WV)	Y	Y	Y
Waters (R-WA)	Y	Y	Y
Wellstone (D-MN)			N
Wirth (D-CO)*			N
Wofford (D-PA)			N

1982: The Senate adopted a Thurmond Balanced Budget Amendment 69-31.

1986: The Senate failed to adopt a Thurmond Balanced Budget Amendment 66-34.

1992: The Senate supported (63-42) a Nickles amendment expressing the Sense of the Senate that the Senate should ADOPT a balanced budget amendment by June 5.

Mr. DOMENICI. Now, I have the latest from the computers on the Simon amendment and who cosponsored it, and I might suggest that there are a number of Members from that side of the aisle who cosponsored it who are not going to vote, at least they have not in the last 3 or 4 days. The trend is they are not going to vote for anything that looks like the same constitutional amendment that they cosponsored.

I ask unanimous consent that be made apart of the RECORD.

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

THE 102D CONGRESS—S.J. RES. 18

(Calendar No. 151; S. Rept. 102-103)

COSPONSORS

Date: January 14, 1991.

Sponsor: Simon.

Referred to: Senate Committee on the Judiciary.

Reported by: Senate Committee on the Judiciary.

Cosponsor(s): Current (30): Thurmond; DeConcini; Hatch; Heflin; Simpson; Grassley; Shelby (A-01/31/91); Specter (A-02/20/91); Lugar (A-02/20/91); Daschle (A-03/05/91); Lott (A-03/06/91); Wallop (A-06/11/91); Hollings (A-06/11/91); Bryan (A-06/25/91); Reid (A-06/27/91); Roth (A-07/18/91); Bingaman (A-07/30/91); Breaux (A-09/12/91); Dixon (A-09/12/91); Sey-

mour (A-09/12/91); Cochran (A-09/24/91); Smith (A-10/04/91); Conrad (A-03/03/92); Bentsen (A-03/03/92); Murkowski (A-04/02/92); Boren (A-04/09/92); Robb (A-04/28/92); Craig (A-05/12/92); Graham (A-05/19/92); Kohl (A-05/19/92).

Mr. DOMENICI. Now, Mr. President, if there is any politics, that is politics. Maybe there is another explanation how within the very month, June, Members on that side, at least 20, said to this Senate, "It is my sense that we should vote for the constitutional amendment." And then there is another list of those who actually cosponsored it. We will see how they vote tonight. I cannot imagine that if they do not vote for cloture, it is anything other than politics.

Now, having said that, I want to make one other point, that the people in the country watching this debate are confused, because the distinguished Senator from Maryland puts up a chart showing the deficit of the United States and blames it on the President of the United States, and the distinguished chairman of the Appropriations Committee, not once, not twice, but I am sure more than three times said this is an issue that centers around the power of the purse—and if I read him right, he is saying the Congress—and if I read him right, he is saying the Senate should retain the power of the purse.

Now, I think it cannot be both. We had the power of the purse. We were at least coequal with the President in incurring that deficit, not the President, be it Reagan or Bush, that did it all by himself. As a matter of fact, one might imply from the distinguished chairman of the Appropriations Committee that it is our deficit, for we controlled both the expenditures and the tax collections.

Now, that is enough of that.

A third point. My good friend, the chairman of the Appropriations Committee, worries with the Senate bringing the courts into this if we pass this amendment. I say to my friend I am worried about it, too. But I believe we have probably kept the court out of this amendment the way it is constructed.

Frankly, at my request, section 6 was put in this amendment. It was not in the original House amendment as they intended. Then they put it in before they took it up. "Congress shall enforce and implement this article by appropriate legislation."

Mr. President, when coupled with section 2, which essentially says when you finally get to a balanced budget, you cannot increase the debt limit, and if you do not increase it by a supermajority, you cannot add any more debt, so an interesting enforcement occurs. It is our own debt, which we have added so much burden on the American people, that will enforce itself because we will bring down our Treasury bills if we do not get a balanced budget.

Now, my last point.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DOMENICI. Could I have 30 seconds?

Mr. SEYMOUR. I yield 30 seconds to Senator DOMENICI.

Mr. DOMENICI. I want to read a quote in closing. I say to the distinguished chairman of the Appropriations Committee, one of the constitutional experts on this subject is Dr. Laurence Tribe, and it is very interesting. While he says the constitutional amendment is not to his liking, I close my discussion with the best quote I can find as to why we need a constitutional amendment. And I quote Dr. Laurence Tribe:

Given the centrality of our revolutionary origins, of the precept there should be no taxation without representation, it seems especially fitting in principle that we seek somehow to tie our hands so that we cannot spend our children's legacy.

I yield the floor.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The President pro tempore.

Mr. BYRD. Mr. President, the distinguished Senator from New Mexico has referred to Dr. Tribe's words when he appeared before the Budget Committee. I believe that a thorough reading of Professor Tribe's statement will clearly convey the message that he is opposed to such a constitutional amendment to balance the budget.

Mr. DOMENICI. Might I ask, did I not say that? I think I said that.

Mr. BYRD. The Senator may have.

Mr. DOMENICI. Yes, indeed, I did.

Mr. BYRD. Perhaps I am wrong.

Mr. DOMENICI. I said while he is saying he did not like the constitutional amendment, he makes this rather extraordinary statement.

Mr. BYRD. Very well.

Mr. SARBANES. Will the Senator yield on that?

Mr. BYRD. Yes.

Mr. SARBANES. He went further than that. He concluded the statement by saying that "None of the proposed balanced budget amendments could be included in the Constitution without unacceptable adverse consequences for the separation and distribution of governmental powers and for the integrity of the constitutional structure as a whole." That was his conclusion. It cannot be any clearer than that.

Mr. SASSER. Will the distinguished chairman yield?

Mr. BYRD. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Two minutes and forty seconds.

Mr. BYRD. I yield to the Senator from Tennessee.

Mr. SASSER. Our distinguished friend from New Mexico indicates that, at his request, inserted in this amend-

ment was the statement that the Congress shall have the power to enforce by appropriate legislation the provisions. That is precisely the language the chairman will recall is in amendment 14 of the Constitution of the United States, the so-called due process clause.

As the chairman is aware, there are literally tens of thousands of suits that have arisen under amendment 14, the due process clause, notwithstanding the fact that at the conclusion of that due process clause, section 5 says:

The Congress shall have the power to enforce by appropriate legislation the provisions of this article.

Mr. BYRD. Yes, of course. What that language does, it opens the door and extends the invitation to the Congress to enact legislation to give the President of the United States the line-item veto, enhanced rescissions, and impoundment powers. That is just what we are inviting ourselves to do with that language.

And with reference to the language which reads as follows:

The limit on the debt of the United States held by the public shall not be increased until three-fifths of the whole number of each House have provided by law for such an increase by rollcall vote.

I believe my friend from New Mexico referred to that language. It is a rare occasion to have a debt limit that has been enacted by both Houses by as much as a three-fifths vote; a very rare occasion. So it would be extremely difficult to increase the debt limit when future necessity required that it be done.

What happens if Congress fails to increase the debt limit? All but essential Federal Government services would be shut down. Federal employees would be sent home. Social Security checks would be stopped. Most Federal expenditures would cease. Federal contracts would be violated. Eventually, the Treasury would be forced to default on a portion of the Federal debt. Financial institutions seeking payment of interest and principal on maturing Federal debt would find the Treasury unable to make those payments. A financial crisis would ensue.

A Federal default would quickly throw the economy into a depression, and would cause the United States to pay much higher interest rates on borrowing in the future. We have never defaulted before, Mr. President. Uncle Sam's credit rating would plummet. We should beware of locking that provision into the Federal Constitution.

Mr. SEYMOUR. Mr. President, how much time is remaining on this side?

The PRESIDING OFFICER. Six minutes.

Mr. SEYMOUR. Mr. President, I yield the remainder of the time to myself.

Mr. President, this has been a very healthy debate. In fact, I might say that next to the debate over the Per-

sian Gulf war resolution, this is probably the most important debate that I have been part of in the brief 18 months I have been privileged to serve here.

I would like to underscore "privilege" because I have been privileged to listen to our distinguished President pro tempore give forth his recall of history. It left me awe-struck to hear his discourse and recant of history. I felt as if I were sitting at the feet of perhaps the most distinguished historical professor in our Nation.

It was interesting as well for me to listen to him because as we focused on this debate, I felt for the first time since last Tuesday we were beginning to hear the truth, and a true difference of opinion on this important issue. And clearly we can differ, and clearly we do.

Where we have come since last Tuesday is truly remarkable. We started out last Tuesday with the desire to raise this issue, and to bring it to a vote. And we have debated it heavily.

So we have come a long way. This really has not been a dead issue. If it were a dead issue, I do not think 16 of our colleagues on the other side of the aisle would have voted to set aside the President pro tempore's amendment, which would have prevented this cloture vote on the balanced budget amendment. In fact, it would have ended it.

Mr. President, for those doomsayers and naysayers who say it cannot be done; this is a dead issue; why are we wasting our time; for those who feel that way, I would suggest that we are three votes away from enacting a balanced budget constitutional amendment.

After the next vote, if this vote is successful to invoke cloture, the next vote would be to pass the constitutional amendment to balance the budget. And then it would be sent over to the House of Representatives, Mr. President, for the third and final vote.

Should those "weak sisters" who were cosponsors of this amendment have their minds changed within three votes, the people of this Nation will have the opportunity to make up their minds on whether or not we need a balanced budget amendment to our Constitution.

In his historical account, the President pro tempore so eloquently stated the truth when he referred to Hamilton and his notion that it was the legislature that controls the purse; and Madison, that the legislature has access to the pockets of the people. He is right. We now have an opportunity, a rare opportunity, perhaps the only moment we will have to demonstrate to the people of this country that we are serious about fiscal responsibility.

They want change. We know they want change. They are tired of the political games and the charades. They want action. We are three votes away. As a matter of fact, that last rollcall

was 57 votes to defeat the Byrd amendment. Those same 57 votes mean we are three votes away from cloture. So that means we are only a few votes away from an up-or-down vote on a constitutional amendment to balance the budget.

I ask my colleagues in the Senate to think of the arguments that the distinguished President pro tempore has made. But I also know one thing about history. It has been said that if we do not learn from history, we are destined to repeat it.

Let us consider the country of Japan. They deficit spent. They curbed their appetite. It was painful; but they did it and rebuilt their country. We look at Great Britain. They were deficit financing, and with the leadership of Margaret Thatcher, they bit the bullet and turned their country around. The same is true for Germany. Now, it is our time to seize the moment, and to begin to turn our spending binge around as we prepare for the next century.

I have referred in the debate a number of times to the fact that Congress is addicted, just as certainly as a drug addict is addicted to a drug. Our choice of drug is spending money that we do not have. And in the last 30 years, as has been brought out, 29 of those 30 years, we have done just that—spent money that we do not have.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senator have 2 additional minutes, and that Mr. CONRAD have 2 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. SEYMOUR. I thank the distinguished President pro tempore.

Mr. President, the opportunity that we have before us may not come again. The question is whether or not we have the self-restraint, the self-discipline, the will to rid ourselves of our addiction. I say we do not. I say history and the record shows that we do not have that discipline.

So we need some tool that will impose it upon us, that will require us to do what a family has to do in balancing their budget, to do what a business has to do to keep their doors open, to do what 48 of the State governments must do according to their Constitutions, and that is to show restraint.

I realize that there has been a lot of pressure applied, pressure applied to those who have already cosponsored this constitutional amendment. And the pressure has been put on them to back off, just as happened in the House.

I hope that this body, the U.S. Senate, can stand strong, stand firm, show that we have a backbone, and do the right thing.

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

Mr. CONRAD. Mr. President, I rise to answer the Senator from New Mexico, who entered into the RECORD the fact that a number of us voted for a sense-of-the-Senate resolution calling for a balanced budget amendment. The RECORD should show that did not specify this amendment.

The Senator also put into the RECORD that a number of us cosponsored the Simon balanced budget amendment.

The RECORD should show that is not this balanced budget amendment. I voted to urge the body to have a balanced budget amendment. I cosponsored the Simon amendment, but I am going to oppose cloture now.

Mr. President, the reason is very simple. It is not politics, as suggested by the Senator from New Mexico. I have already announced I am not seeking reelection. I am voting as I have announced, because I believe we ought to do something about reducing the deficit now—not pass an amendment that says we are going to do something by 1998, not another Gramm-Rudman that says we have a formula for reducing the deficit, not a situation in which we retreat to the stands and cheer for us to do something; but, instead, for us to be in a position for which there are no excuses, there is no balanced budget amendment that says we are going to do something by 1998, there is no Gramm-Rudman that says we are going to balance the budget in 5 years, and we find out 6 years later the deficit is twice as large.

If we really wanted to do something about the deficit, why do we not start now? Why do we not start now in the appropriations bills that are coming before this body? Why do we not ask the President to send us a plan and start now, not in 1995, or 1996, or 1997, or 1998, but right now? That is what we ought to do.

I yield the floor.

Mr. BENTSEN. Mr. President, I rise to announce my decision to vote against cloture on the Nickles balanced budget amendment to the Constitution.

My decision is not based on any philosophical opposition to a constitutional amendment. I support the concept. I cosponsored the version of Senator SIMON's resolution which the Judiciary Committee approved. The Judiciary version did not have the 60-vote requirement which Senator NICKLES would impose for raising the debt ceiling. That 60-vote requirement troubles me. But putting my reservations aside, I believe a well-crafted constitutional amendment can help impose the discipline the administration and Congress have lacked when confronting the deficit.

But at this stage, a constitutional amendment won't come any closer to happening no matter how much I may support the concept. It won't come any closer even if the Senate were to pass

it, a highly unlikely event. The House has rejected the amendment already. After a week of debate, the House failed to adopt the companion to the Nickles amendment.

The House outcome makes debate of a constitutional amendment a futile exercise. The more time the Senate debates what is presently an academic issue, the more time the Senate loses from considering legislation which can happen this Congress. Legislation like the energy bill. The energy bill makes natural gas a cornerstone of our Nation's energy strategy and provides incentives for oil and gas exploration and production. The time for crucial legislation is slipping away as this Congress winds down. We will better use our precious time and serve our Nation by debating matters that won't have to wait until future Congresses to happen.

Mr. President, I am concerned, in a very real sense, that when we debate a balanced budget amendment that is not going to be enacted this year we make it less likely rather than more likely that the Federal deficit will be reduced. Candidates for office—whether they're running for President or for Congress—can use this as a smoke-screen to duck debate on the tough decisions, the hard choices that will be required to cut the deficit.

Let me cite an example: the Social Security earnings test. A few days ago the Finance Committee voted to raise the earnings limit as a simple matter of equity. But we also voted to raise the cap on the payroll tax to pay for it. There is little doubt in my mind that, when that issue comes before the Senate, there will be an effort to go the committee one better. The Senate will be urged not to just raise the earnings limit but to eliminate it entirely, and to do this without paying the enormous cost involved.

There will be stirring calls to take this action even though it threatens the fiscal integrity of the Social Security system and even though it would increase the Federal deficit by \$24 billion over the next 5 years. I would venture to predict, in fact, that some of those supporting this budget busting initiative will be among those most vociferous in demanding that we amend the Constitution to require a balanced budget.

Debating a constitutional amendment at this stage will bring us no closer to fiscal responsibility. All it will bring us is a flood of 30-second attack ads in the fall campaign. Ads won't help this country get its economic house in order.

Mr. President, I want to get on with Senate business that has a legitimate expectation of happening and helping this year. Senator NICKLES' amendment isn't in that category. For that reason, I will vote against cloture on this amendment.

I hope cloture's failure will persuade Senator NICKLES and his allies to with-

draw their otherwise well-intentioned effort for the time being. I hope they'll wait until next Congress to pursue a constitutional amendment. Next Congress is their time, not now.

I thank the Chair.

Mr. HATFIELD. Six years ago I stood on this floor and described the struggle that I experienced in coming to the decision to oppose the balanced budget amendment considered at that time. I described my reluctance to take that position, and my great respect for my party leadership both in the Senate and in the White House.

In 1986, our deficit stood at \$221 billion. It was \$268 billion last year, and is projected to be well over \$300 billion next year. This does not indicate progress in my eyes. Something must be done, and we must have the courage to do it. We have tried procedural solutions before only to prove that easy answers are no answer. I believe we must begin by looking in the direction of runaway mandatory program growth and further defense cuts.

Tonight, I am voting to invoke cloture on debate on a balanced budget amendment. However, I vote for cloture not in a changed belief that this idea deserves my support, but in the belief that this issue deserves to be debated on its merits. I am disappointed that we are forced to vote on a procedural motion once again. This is a situation that we seem to find ourselves in much too often these days. I feel strongly that issues should be considered on their merits, that the purpose of the world's most renowned deliberative body must be to fully debate legitimate proposals forwarded to address serious issues.

I agree with the thousands of people in Oregon who have written to me asking for an answer to the growing deficit. They are right to wonder what direction Congress is taking this Nation. I wish that I could promise them that Congress will address this problem with a constitutional amendment, but there are still many questions in my mind regarding how and to what extent a balanced budget amendment would be enforced. It is my hope that by allowing this issue to be considered on its merits, more of these questions will be addressed during the ensuing debate in this Chamber.

CLOTURE MOTION

Mr. SEYMOUR. Mr. President, I submit two cloture motions under the provisions of the unanimous-consent agreement entered into on Friday, June 26, to limit debate on the Seymour amendment, No. 2447.

The PRESIDING OFFICER. The clerk will state the first cloture motion.

The legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators in accordance with the provisions of rule XXII of the

Standing Rules of the Senate do hereby move to bring to a close debate on amendment number 2447, to S. 2733:

Bob Dole, Mitch McConnell, Dan Coats, Phil Gramm, Pete V. Domenici, Alfonse D'Amato, Don Nickles, Strom Thurmond, Jake Garn, Bob Kasten, Orrin G. Hatch, John McCain, John Seymour, Richard Lugar, Steve Symms, Ted Stevens, Bill Cohen.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the Seymour amendment No. 2447 to Senate bill 2733 shall be brought to a close?

The yeas and nays are required.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. PELL (when his name was called). Mr. President, on this vote I have a pair with the Senator from New Jersey, Mr. BRADLEY. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "aye." I, therefore, withhold my vote.

Mr. FORD. I announce that the Senator from New Jersey [Mr. BRADLEY] and the Senator from North Carolina [Mr. SANFORD] are necessarily absent.

On this vote, the Senator from Rhode Island [Mr. PELL] is paired with the Senator from New Jersey [Mr. BRADLEY]. If present and voting, the Senator from New Jersey would vote "nay" and the Senator from Rhode Island would vote "yea."

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] and the Senator from Delaware [Mr. ROTH] are absent due to illness.

I further announce that, if present and voting, the Senator from North Carolina [Mr. HELMS] would vote "yea."

The PRESIDING OFFICER (Mr. WOFFORD). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 56, nays 39, as follows:

[Rollcall Vote No. 135 Leg.]

YEAS—56

Bond	Garn	Murkowski
Boren	Glenn	Nickles
Breaux	Gorton	Packwood
Brown	Graham	Pressler
Bryan	Gramm	Reid
Burns	Grassley	Robb
Chafee	Hatch	Rudman
Coats	Hatfield	Seymour
Cochran	Heflin	Shelby
Cohen	Hollings	Simon
Craig	Jeffords	Simpson
D'Amato	Kassebaum	Smith
Danforth	Kasten	Specter
Daschle	Kohl	Stevens
DeConcini	Lott	Symms
Dixon	Lugar	Thurmond
Dole	Mack	Wallop
Domenici	McCain	Warner
Durenberger	McConnell	

NAYS—39

Adams	Biden	Byrd
Akaka	Bingaman	Conrad
Baucus	Bumpers	Cranston
Bentsen	Burdick	Dodd

Exon	Kerry	Nunn
Ford	Lautenberg	Pryor
Fowler	Leahy	Riegle
Gore	Levin	Rockefeller
Harkin	Lieberman	Sarbanes
Inouye	Metzenbaum	Sasser
Johnston	Mikulski	Wellstone
Kennedy	Mitchell	Wirth
Kerrey	Moynihan	Wofford

PRESENT AND GIVING A LIVE PAIR, AS
PREVIOUSLY RECORDED—1

Pell, for

NOT VOTING—4

Bradley	Roth
Helms	Sanford

The PRESIDING OFFICER. On this vote, the yeas are 56, the nays are 39, three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the motion was rejected.

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

The motion to lay on the table was agreed to.

Mr. LIEBERMAN. Mr. President, I voted in opposition to the version of the balanced budget amendment as it came before us today. I did so after carefully considering and weighing the arguments for and against such an amendment. I chose to support a statutory alternative to the amendment that would start the budget balancing process now, and move us more promptly toward the goal that all sides agree is necessary: a balanced budget.

The budget deficit is a problem that must urgently be addressed. We have gotten to the point where we spend more on interest on the national debt than on all our domestic, discretionary programs. And each year our problem is, quite literally, compounded, with deficits creating increased debt, raising the amount needed to pay interest, which in turn increases the deficit. It is an economic death spiral.

But this balanced budget amendment is not the way, procedurally or substantively, to go about promptly balancing the budget. As a procedural matter, the House of Representatives has already defeated the balanced budget amendment. We therefore know that the balanced budget amendment we have before us will not pass. It is just the kind of exercise in futility that has caused the American people to lose confidence in our ability to govern. The only way we can begin the budget balancing process this year is by doing it, and that is by statute.

Even in substance, however, this balanced budget amendment is a charade that will only postpone the serious budget decisions we must reach. The fundamental lesson drawn from over 6 years of experience under the Gramm-Rudman-Hollings balanced budget act is that formulas and process do not substitute for hard policy choices. This amendment does not make it easier to

articulate and make those choices. This balanced budget amendment does not even establish a good process for balancing the budget. It has no teeth, no enforcement mechanism. It is left to us—or perhaps to the courts—to design and use those teeth. Finally, this amendment, even if it could be enacted and ratified, would not have any effect before 1998 at the earliest. Until that time, the President and Congress would be free to spend, with no regard for the future.

Instead of simply voting to send a constitutional amendment out to the States for a multiyear ratification process, I believe we should start now by taking the tough steps necessary to bring about a balanced budget before 1998. That effort must begin with frank leadership from the President. The chairman of the Appropriations Committee is correct to ask the President to set out, for the Congress and the American people to consider, exactly what hard choices must be made. The President is the one person who can claim to be elected by the entire Nation, not just by the people of an individual district or State. I therefore voted for the chairman's amendment, which requires the President to do this immediately.

We in Congress must also be ready to do our part. As we require the President to lay out a balanced budget, shorn of the usual rosy economic projections and other budgetary gimmicks, we must vote on the President's plan, as well as any balanced budget plan of our own. Congress must be accountable if it fails to respond to Presidential leadership on this difficult problem.

We must also go further. We must put a stop to the budget games that obfuscate the need for hard choices and delay action. The President and Congress, for example, should be required to base their budgets upon economic projections from an independent, non-political body, the Federal Reserve Board. That single step will put us on equal footing and, more important, realistic footing. Without that basis in reality, all budgetary plans are flights of fancy.

We also must take steps to rebuild the faith of the American people in their Government. We must redouble our efforts to halt waste and fraud, and to eliminate unneeded bureaucracies. We should require governmental managers, like their counterparts in the private sector, to increase productivity by trimming their administrative expenses by 3 percent annually. We ought to subject all programs financed by general tax revenues to periodic reauthorization to make sure they are working.

We, however, should not fool ourselves. We will not balance the budget ever simply by cutting waste, fraud, and abuse or by streamlining govern-

ment. As President John F. Kennedy once said, "Our task now is not to fix the blame for the past, but to fix the course for the future." The balanced budget amendment before us will not fix that course. We must enact legislation that will.

Mr. GLENN. Mr. President, I rise today in opposition to the Kasten amendment which require a three-fifths majority in both Houses for enactment of legislation increasing Federal receipts by more than the national growth rate.

I oppose the Kasten amendment not because I am against the idea of a constitutional balanced budget amendment. I have voted in support of a balanced budget amendment in the past and am prepared to do so again if such an amendment is responsible, flexible, and reflective of sound policy.

I have grown frustrated over the past 12 years as Presidents Reagan and Bush submitted the most unbalanced budgets in history leading to a quadrupling of the national debt. Over those years, instead of solid, long-term policy proposals to reduce the deficit we rather have seen repeated requests to raise the debt limit. That is why I voted against debt limit increases eight times since 1981. And I voted for a Byrd balanced budget amendment in 1986 which would have instilled fiscal responsibility while providing the kind of flexibility necessary for future generations of Americans.

And I oppose the Kasten amendment not because I want to raise taxes. I do not. In my years in the Senate I have worked hard to achieve fiscal responsibility by voting to cut spending on programs that I felt were not in the public interest. And I have fought waste, fraud, and abuse long before it became a popular, cure-all campaign issue. As chairman of the Governmental Affairs Committee, I worked to expand and strengthen inspectors general and to establish chief financial officers throughout Federal agencies saving taxpayers billions of dollars in unnecessary spending.

Mr. President, I oppose the Kasten amendment because it is an invitation to tyranny by a minority which will create fiscal paralysis in the Congress. This paralysis will prevent efforts to pursue tax fairness and close tax loopholes.

The amendment would effectively freeze the current Reagan-Bush era tax structure benefiting the wealthy at the expense of the middle class. Attempts to promote tax equity by lowering taxes on the middle class and raising taxes on the wealthy could easily be blocked.

And billions of dollars in special tax loopholes would be protected. Elimination of these loopholes would result in added revenues invoking the Kasten three-fifths majority. These special interest tax breaks have withstood many

assaults over the years and would be nearly impossible to eliminate if a three-fifths majority were required.

Fiscal decisions between spending cuts and revenue increases simply should not be dictated by constitutional formula. Accordingly, I urge my colleagues to vote against the Kasten amendment.

Mr. DURENBERGER. Mr. President, I rise to state my reasons for voting to bring debate on this amendment to a close, and to pass the constitutional amendment to balance the budget.

Mr. President, Washington is a city resounding with alarms. Every time we turn around another alarm is going off, another crisis is upon us.

The health crisis. The education crisis. The children's crisis. The urban crisis. The environmental crisis. The Russian crisis. The farm crisis.

The information age brings all these problems instantaneously to our attention. No wonder Time magazine's Man of the Year this January was Ted Turner, a news person rather than a policy-maker.

I am afraid we have all become like the family that moved in next to the firehouse. At first the sirens shocked and terrified them. But over the days and months and years, they got used to it, to the point they barely noticed anymore.

As we stand here on the floor the proponents of this amendment are trying desperately to sound an alarm: there is a fire, and it is the firehouse itself which is burning down.

Government, our collective capacity to deal with all the other crises we face, is in crisis itself, because it is \$4 trillion short of no money at all.

There is no denying it, Mr. President. Right now, today, we are destroying the financial capacity of this Government to respond to genuine needs. We are, at the same time, committing grand larceny on the resources and hopes of our children and grandchildren.

We are more than \$1 billion further in debt right now than we were yesterday at this time.

For every \$1 of national debt we had when I arrived in Washington 13 years ago we now have \$5.

That is over \$16,000 for every man, woman and child in America.

That is the catastrophic context in which we face this choice. Will we perceive the danger we are in and act accordingly? Or will we sit by posturing and debating like nothing is really wrong?

Mr. President, I am in agreement with many of the arguments raised by my colleagues against this amendment.

The Constitution is the most remarkable political document on earth. We should not lightly put ourselves in the place of the founding fathers to edit and alter the Constitution which has served us so well.

Tampering with the balance in the Constitution between the branches of Government should be avoided. We can each create a range of disturbing scenarios which could occur under a balanced budget amendment.

As we have seen in the experience of Gramm-Rudman-Hollings, budget mechanisms do not, of themselves, produce balanced budgets. Mechanisms are only as good as the intelligence and courage with which they are used.

It is not the Constitution's fault that we have an unbalanced budget. That is our fault: this generation of Americans.

We who lead, and those who have elected us to do so, have chosen to live beyond our means, to believe we can have without paying.

We have all made our speeches on this floor at various times. "We will not balance the budget on the backs of the poor * * * We will not balance the budget on the backs of the elderly * * * or children * * * or farmers * * * or veterans."

Or "We will not balance this budget at the expense of taxpayers. We will not balance this budget at the expense of national security * * * or our allies overseas * * * or American workers * * *."

Well when you take what's common from all those speeches you get a simple statement: We will not balance the budget. Period.

I cannot live with that, Mr. President. Neither can yet unborn Americans whose future is at stake in this debate.

No one will stand on this floor and say they are for increasing the national debt. No one will attempt to defend the current situation as one that is healthy for America. But a generation from now, what we have said will not matter; they will only care about what we did.

Regardless of how elegantly we defend it and how skillfully we debunk each new way of doing things, what we are actually doing is passing on to our future citizens a lesser America than the one we inherited.

It all boils down to this for me, Mr. President. In Government, just like in life, if nothing changes, nothing changes. And we absolutely can not afford for things not to change, \$70 billion deficits under Jimmy Carter did not change anything.

Ronald Reagan's tax cuts and spending cuts did not change anything.

The budget resolution of 1985, crafted by the Republican leader to balance the budget in 5 years did not change anything.

Gramm-Rudman-Hollings did not change anything.

Kicking a bunch of Democrats, and then a bunch of Republicans out of the Senate did not change anything.

And \$408 billion in debt is not changing anything, that I can see from the Presidential campaigns.

The only hope we have left is to change the fundamental rules of the game, to change our Constitution. It is a drastic measure, to be sure. But is it any more drastic than the economic calamity we face if we keep on doing what we're doing?

I am not 100 percent convinced this amendment will work; but I have far less confidence in any other answer I have heard here or anyplace on the campaign trail.

And I have been listening, Mr. President. To the leaders of my generation, and the leaders of my children's generation.

I gave my first speech on the dangers of debt in 1984 to a graduation of St. Olaf College. I ask unanimous consent that that 8 year old statement of my personal responsibility be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered. (See exhibit 1.)

Mr. DURENBERGER. In 1985, I created an organization called Americans for Generational Equity to try to make policymakers aware of what our current decisions are doing to future generations. And people like JIM JONES, and JIM MOODY and BILL BRADLEY and PAT MOYNIHAN helped us spread that message.

I voted for the Dole budget resolution in 1985. I voted for Gramm-Rudman-Hollings. I voted for the 1990 budget summit agreement. And I voted this year to cap entitlements on this floor.

But looking at the fiscal year 1992 budget resolution, and the massive appropriations bill lining up for passage outside this Chamber, it has all come to naught.

The Constitution is the foundation of our Government and our society. I have sworn an oath to preserve and protect it against enemies foreign and domestic. Debt is the most serious and the most dangerous enemy facing our freedom and our futures.

This amendment to the Constitution is the best defense we can mount against that enemy, for ourselves and on behalf of those generations who will inherit America.

I urge my colleagues to vote to end this filibuster and approve this amendment to the Constitution.

EXHIBIT 1

(The following commencement address was delivered by Senator Dave Durenberger to St. Olaf College in Northfield, Minnesota on May 20, 1984)

During my 1982 campaign, I made a stop in Winona, Minnesota. A young woman came up to me and said, "I know you. You spoke at my college graduation."

I learned that she was a 1979 graduate of St. Theresa's. She went on to say, "It was a great speech. I remember everything you said." Well, at that, I kind of puffed up with pride and thought, "She's right. It was a great speech."

But then she said, "I remember it so well because you talked about national energy

policy and the need for energy conservation and none of us could figure out why you chose to talk to us about that."

Preparing my remarks for today, I thought of that young woman from Winona and the reasons I talked about energy policy at a 1979 college graduation. It was my first commencement speech as a Senator. Some number of my staff had prepared a long, windy speech about the value of an education and the true meaning of commencement. The same speech given a thousand times on college campuses every spring.

But I just couldn't give that speech. So instead I talked about what was on my mind. There was a revolution in Iran. The United States was headed into its second energy crisis in a decade. The price of oil was about to triple. The farmers of Minnesota were asking whether there would be sufficient fuel to harvest the fields they'd just planted. The elderly were wondering what another winter would bring in heating bills. And there was much that needed saying about our nation's energy policy.

I'm going to do that again, today. I'm going to set aside the traditional themes. You won't hear my thoughts on the true meaning of commencement. I'm not going to talk about energy policy either, although perhaps I should, considering the recent events in the Persian Gulf. But I am going to tell you what's on my mind.

The subject is debt. Owing money. Living beyond your means. Red ink. Debt. Pretty depressing subject for a beautiful Sunday in May.

When I say debt, I bet most of you think about the loans you took out for tuition over the last four years—a few thousand, maybe several thousand dollars. Commencement really means going over to the disbursing office or down to the bank to sign up for a repayment schedule. That's commencing. And when you do, you will be joining the mainstream of our society . . . sharing the one experience that unites all adult Americans . . . owing a large chunk of your income to somebody else.

But the school loan you know about is only the tip of the iceberg. The day you become a taxpayer, you inherit debts beyond comprehension. The accumulated debt of the United States Government is \$1.5 trillion. That's \$15,000 for every American who has a job. The interest payments . . . the simple, annual interest . . . on that debt is \$1,000 for every American who files a tax form. You owe a thousand a year just to get into the game of making a living in this country.

Worse than that, the debt is growing at the rate of \$200 billion per year. We're not paying off this loan. We're borrowing to make the interest payments. In fact, we're borrowing to make the interest and then we're borrowing some more.

Interest payments are the most rapidly increasing part of the federal budget. You hear all the controversy about increased defense spending. Every year the President and the Congress have a big fight about how much defense spending is going to increase. The President wants it to go up 7% and the Congress will only give 5% and you get the feeling that the 2% difference is a really big deal. Well, interest payments have increased by 75% since Ronald Reagan took office.

Let me use another political dispute to illustrate the problem. Taxes. A majority in both Houses of the Congress and in both political parties believe that we need to raise taxes to solve the deficit problem. But the President says, "Shame on you. We don't need more taxes. We need less spending."

Congress is about to pass a tax increase. It will raise the revenue of the national government by \$48 billion over the next 3 years. About \$200 a head for every living American. But do you know, those 48 billions of dollars will not even pay the interest on the money we're going to borrow in the next 3 years. Not interest on the old debt. Not the interest on the current \$1.5 trillion debt. The new tax increase will not even cover the interest on the new borrowing. Interest payments will continue to grow. That's what I call debt. And you are about to inherit a piece of it.

Some words by Thomas Jefferson have become a moral imperative. Let me quote him. "The question whether one generation has the right to bind another by the deficit it imposes is a question of such consequence as to place it among the fundamental principles of government. We should consider ourselves unauthorized to saddle posterity with our debts, and morally bound to pay them ourselves."

According to Jefferson the first principle of government is that you leave the next generation—your children—with opportunities for choice no less than your own.

That is why this nation has always been willing to fight to preserve its liberties. That is why we as a people put such a high value on environmental protection and the conservation of our natural resources. And it has become a fundamental issue in the budget process of the federal government, because of the size of the deficits we face.

Spending a deficit is like having a credit card with the bill sent to your kids. My generation has used that plastic money to have life cushy now without realizing that our children—you—will pay the carrying charge all of your lives. We have limited your opportunities to choose because we have not been able to limit our choices to what we can afford.

That is not what we intended. In fact, the Jeffersonian principle, "pass on choices as good as your own," sounds like a rather modest goal to my generation. The dream has always been to leave much more than we inherited. It was an expectation drummed into us by our parents. We were the children of the Depression. Our folks never wanted the nation to go through that experience again. And ever since, the nation has been on a treadmill of rising expectations for material abundance.

That dream is being celebrated here today. It's a dream that you will get ahead. Although it is not as common as it once was, some of you are the first ever in your family to get a college degree. Your parents made sacrifices to get you here. And today is the day they say, "We did it. We gave better choices than we got."

But have we? If the federal debt was the whole of our problem, it might be tolerable. But it is only chapter one. The total debt of this country—government, business and consumer—is six trillion dollars . . . and growing. It has increased five-fold in the past twenty years. We are all borrowers for cars, houses, educations, vacations, and business investments.

There was a time when you could just shrug your shoulders and say, "we borrowed it from ourselves. We owe it to ourselves. So what's the problem?"

Well, that isn't true anymore. We are about to join Poland, Mexico, Argentina and Brazil as a third world debtor nation. We have developed such a habit for borrowing to get ahead . . . we've become willing to pay such high interest . . . that money is flowing into America from all over the world. We're

junkies for debt. And the shieks and the shahs and the satraps of world finance will oblige our craving. It's not just our money anymore.

Where did all those borrowed dollars go? If we had invested them in steel mills and oil refineries and computer chips, there wouldn't be a problem. Those kinds of investments create wealth and wages to repay the borrowing.

But we didn't. While borrowing increased five-fold, the total value of our productive assets only doubled. The rest we spent. We consumed it. We used it up. And now we're borrowing to make the interest because we lack the tools to earn our way.

The largest portion of our borrowing has been used for housing. And perhaps better than anything else, the single-family home explains my generation. We even call it the American dream. My home is my castle.

Before the Depression most Americans were renters. Those who bought a home paid 50% down and the balance over three to five years. When the panic hit, home mortgage foreclosures rose to the rate of a thousand a day. Not so much to protect homeowners, more to bailout the banks and savings and loans, the federal government stepped in.

The Roosevelt Administration created the Federal Housing Administration, and FHA invented the 30 year mortgage. For next to nothing down and payments stretched out over thirty years, every American could become a "homeowner." The federal government made this possible by guaranteeing the loans. If a default occurred, the bankers didn't lose their money. The federal government made good.

As your parents can tell you, in the early years of these mortgages, the payments are almost entirely interest. To ease that burden and encourage more borrowing, the federal government made more mortgage interest tax deductible. You don't have to pay federal income taxes on that portion of your income devoted to interest. It should come as no surprise that most American families are now called homeowners. You can't afford to pass up a deal like that.

Consider the story of one family. Ten years ago they took out an FHA loan to build a house. It cost \$34,000. At three percent down, their initial investment was \$1020.

They made payments of about \$400-a-month . . . \$4,800 per year. Mostly interest that was tax deductible. Uncle Sam made a quarter of each payment, so their cost was really only \$3,600 per year.

Last year . . . with two-thirds of the mortgage and most of the principal left to pay . . . the family sold the house for \$125,000. A \$91,000 capital gain in ten years for an initial investment of \$1020. Subtracting their annual cost of \$3,600 from their annual gain of \$9,100, they were making \$5,500 a year as "homeowners."

Now where did that \$5,500 come from. It wasn't produced by the house. Once built, it just sat there. Other than make a smart investment, the family didn't do anything to earn this \$5,500.

The answer, of course, is that it wasn't produced at all. It was borrowed. In one giant, national spiral of borrowing arranged by FHA and the IRS, this family came out \$55,000 ahead in ten years. This being a true story, you know what they did with their profits. They bought a bigger house. They are once again mortgaged up to their ears. Just the plumbing in their new place is more expensive than their first house entirely. And we call it the American dream.

Perhaps you don't see the connection between the good fortune of this family and

the fortunes to be made or missed by your generation in the coming years. And in a sense there may be no connection. Because my generation has wound the borrowing spiral so tight . . . forced prices and interests so high . . . that the bliss of home ownership is now beyond the reach of most of our children. You'll go back to renting . . . from us. And paying the interest on a national debt which finances mortgage deductions and loan guarantees for castles in the suburbs.

As you can tell much of my message today is directed to your folks . . . and me. Ladies and gentleman, we are the problem. We are the reason for the deficit. The problem is not all kinds of spending for welfare programs as some politicians would have you believe. We could abolish all the programs for the truly needy, and the budget still would not balance. And the problem isn't tax loopholes for the rich as politicians in the other party are always saying. We could confiscate all the income of the truly greedy and still not close the gap.

No . . . the problem is a conspiracy led by both political parties . . . politicians of all stripes . . . on behalf of the vast middle class of our generation to keep our comforts without taxing our incomes.

Counting back from this graduating class to the revolutionary war, the history of this nation takes in the life and work of eight generations. Each had its own special character or challenge. There was that extraordinary generation of colonists that founded a free nation. Another which fought a civil war to make this nation free for all of us. And the generation which came as immigrants to settle the west and build our great cities. Our parents—your grandparents—gave their young men to another terrible war and then gave their wealth to rebuild Europe from the ashes.

Our story is not complete. But I suspect that we will be remembered as the Americans who invented plastic money. We let the mainspring of American industry run down, so we could have four bedrooms, three baths and a rec room in the suburbs. And when we fell behind on the payments, we borrowed the income of our children to continue our comforts.

By our legacy we have defined the special challenge for these young men and women. Theirs will necessarily be the conservation generation. They will need to save and invest and protect and conserve to get America going again.

This has been a tough little talk. But hard things sometimes need to be said. I didn't come here to rain on anybody's celebration. It is a happy day.

As we make this new start let us remember . . . celebrate . . . the commitment that reaches across all American generations . . . back to Thomas Jefferson and out into the future . . . the commitment that preserves our liberty . . . builds our cities . . . runs our factories . . . protects our resources . . . the commitment to give a land of opportunity and freedom to our children.

Thank you.

Mr. DASCHLE. I would like to read you something a rookie Member of the U.S. House of Representatives said 13½ years ago.

"A government scorned by its citizens," he said, "cannot lead. Our Government and our Congress cannot function effectively so long as the American people are convinced our major

ability is the ability to spend them into the poorhouse. No single action would do more to restore faith in this Congress than would a self-imposed limit on spending."

The Congressman then proposed the first legislation of his career.

That Congressman was me, and the legislation I proposed was a balanced budget amendment to the Constitution of the United States.

Over the years I have heard all the arguments about why we cannot have a balanced budget amendment.

There have been many times that I have been criticized for my position and told that Democrats have to vote "no".

Over and over I have been told it is irresponsible, it would cut needed social programs, it would hurt the elderly or the young or the Nation as a whole.

There is just one problem with all those arguments. They are not true.

The balanced budget amendment does not, in and of itself, favor or harm any cause or any group. It just says that the budget must be balanced. And that is right, it must be.

We can no longer afford the deficit our lack of discipline has allowed to develop.

We can no longer afford to put our children in hock because we lack the political will to pay for the things we want.

Sure it will be hard to do this. Maybe the bad things that are so painfully predicted by Democratic leaders whose judgment I greatly respect will come to pass.

But let us be honest. If they do come to pass, it will not be because we have required that the budget be balanced. It will be because we have not been able to convince the American people that our agenda for the future is the best one for America.

Nothing in the idea of a constitutionally required balanced budget says we cannot have Head Start or Social Security, urban programs, or agricultural research. All this amendment says is that we must pay for them.

I deeply believe that to be true. I am against the robbery of my own children for any purpose. It is so clear, I believe, as to be almost unarguable that this Nation must learn to live within its means and that, if we have the will, we can do so.

Properly led, America will invest in her future without bankrupting herself. It is simply a matter of choice.

We must choose the investments in education and health that we need, not the Star Wars and missiles we do not need.

We must ask that the wealthy pay a fairer share.

To say America must go in hock to do the right thing is a terrible thing to say. It impugns the responsibility and the courage of the American people.

I do not want to believe that. I do not believe it, and I will not vote for it.

That is the reason I made my first act in the Congress the introduction of a balanced budget amendment to the U.S. Constitution.

And it is the reason I hold precisely the same position today.

I will vote for cloture to permit the balanced budget to be brought to the floor, and I will vote in favor of its adoption and submission to the States for ratification as the 27th amendment to the Constitution of the United States.

Mr. DODD. Mr. President, today's debate is about the legacy we will leave our Nation's children. As Americans, and as human beings, we have no greater obligation than to ensure the next generation inherits a nation that is better for us having been here.

From the inception of the Republic through the end of the Carter administration, our Government amassed a public debt of \$908 billion. But in 11 short years, that figure more than tripled—to some \$3.6 trillion. And, according to current estimates, the sea of red ink will swell to more than \$4 trillion by the end of this year.

Children born in America today should not begin life in debtor's prison, Mr. President, but that is exactly where they are headed at the present rate. They will be paying the bills for the excesses of the 1980's for decades to come.

Not only that, but because of the deficit, they will have a harder time making the payments. The deficit consumes savings that would otherwise be used by businesses to invest in new plants and equipment. In the long run, that means a shrinking pie and less money to pay the bills of the 1980's.

Mr. President, regrettably, at the very time our children's future is at stake, the debate over the deficit has degenerated into a blame game. That is repugnant. Frankly, with a \$4 trillion Federal debt, both Congress and the President have ample reason to repent. And neither Democrats nor Republicans can legitimately claim a monopoly on virtue.

The truth is that Congress and the President are equal partners in the budget process—as they are under the Constitution in the development of any legislation. The President makes proposals. Congress enacts legislation—and the President must sign it for it to become law.

Hence, we do not need more finger-pointing; we need cooperation and action. We need Congress and the President to sit down together and make the tough choices that must be made. We need Republicans and Democrats both to put aside inflexible ideology and embrace pragmatic solutions that get the job done.

Mr. President, some suggest that the only way to bring all sides to the table

is by adopting a balanced budget amendment. I disagree. I believe the greatest obstacle to balancing the budget over the past 12 years has been the willingness of so many politicians to sing the siren's song of easy deficit reduction.

For 12 years, the American people have been told that there is a quick and painless fix for the deficit. They have been told, for example, that we need only eliminate a line-item known as waste, fraud, and abuse. They have been told repeatedly that we can balance the budget easily if Congress only passes gimmicks like a line-item veto or a balanced budget amendment.

Mr. President, I wish balancing the budget were that easy. I wish we could wave a magic wand or click our heels together three times, and make the deficit disappear. But neither hocus-pocus nor gimmickry will do the trick. Only by bearing down and making some hard and painful choices can we put our fiscal house in order and safeguard the future of our children.

Just consider the sheer magnitude of the numbers involved. Factoring out the effects of the current recession, and Social Security, the Congressional Budget Office forecasts that the 1993 deficit will be \$253 billion, out of a total budget of \$1.5 trillion.

Those who would balance the budget by raising taxes should be informed that increases of roughly 21 percent would be required to eliminate the deficit. We cannot, should not, and must not saddle taxpayers with such a crippling burden.

But cutting spending is no more practical. We could consider radical solutions like eliminating domestic discretionary expenditures in 1993, for example. But even if we terminated the FBI, AIDS research at the National Institutes of Health, Head Start, child care, and every other domestic discretionary program, we would still fall \$29 billion short of eliminating the deficit.

It is long past time for the President and Congress to face the facts. There is no easy way to balance the budget. If there were, we would have done it by now. All there is instead is a series of hard choices which must be made to save our children's future.

This is not to say that we made no progress in the 1980's on reigning in the budget process. In 1985, for example, contrary to the wishes of many of my fellow Democrats, I was the second Democrat to support Gramm-Rudman. While Gramm-Rudman has clearly not proved to be the panacea that we had hoped it would be, it did cut the growth rate in Federal spending nearly in half while it was in effect.

In 1990, we added the Budget Enforcement Act to further restrain spending. It put in place a series of caps on the discretionary spending that is subject to annual appropriations. It also added a new requirement that any changes in

entitlements, which are the fastest growing portion of the Federal budget, be fully paid for.

Mr. President, we should build on this progress by moving forward today with a process to make the tough decisions. The Byrd amendment would point us in the right direction. It would generate immediate action by requiring the President by the end of August to submit a plan that balances the budget by 1998. That would be a starting point for negotiations between the President and Congress on a deficit reduction plan that gets the job done.

In marked contrast, the balanced budget amendment is silent on immediate action. Under it, no steps toward a balanced budget are required to be taken until 1998, which is the earliest the amendment could take effect.

Our children cannot afford to wait that long. According to the Office of Management and Budget, \$2 trillion will be added to the national debt between now and 1998 unless action is taken. That is far too high a price to pay for putting off taking some bad-tasting medicine.

Mr. President, the Byrd amendment would also preserve both the Federal Government's countercyclical role in the economy and the balance of powers among the three branches of our Federal Government. Unfortunately, the proposed balanced budget amendment protects neither.

When the economy goes into a tailspin, the American people rightfully expect government to step in and lend a helping hand. At present, that is exactly what happens. Automatically, spending for safety-net programs like unemployment, food stamps, and Aid to Families with Dependent Children all rise in a recession. Together, these programs help reduce the human cost of the low points in the business cycle.

The balanced budget amendment would throw a monkey wrench into a mechanism that works well. Under the balanced budget amendment's terms, when the economy goes into a recession and Federal programs are needed the most, they would have to be cut to compensate for lower revenues. Frankly, that is a return to Herbert Hoover economics.

I know proponents of the amendment will point out its three-fifths waiver provision, and claim that it offers an escape hatch for hard economic times. But in my view, it is insufficient. In my view, it serves only to further empower a minority to hold the national interest hostage to their own narrow agenda.

Mr. President, the proposed constitutional amendments threat to the balance of power between the three branches of Government is equally alarming.

Our Nation's founders developed a system of checks and balances to ensure that neither the executive, the

legislative, nor the judicial branches could exercise disproportionate control over the Government as a whole. One of the central features of that balance of power is, as I have mentioned, the shared responsibility between the President and Congress for budget matters.

The balanced budget amendment would tear that shared responsibility asunder. It would give the President unprecedented new power to unilaterally cancel spending on whatever programs he saw fit, and cite his constitutional obligation to prevent deficit spending as a justification. In my view, that is a dangerous shift in the balance of power that has served this Nation so well for over two centuries.

Moreover, the balanced budget amendment would cause the judiciary to become ensnared in the budget process. As Lawrence Tribe put it in recent written testimony, " * * * the Federal courts might be entitled to second-guess all aspects of Congress' and the President's administration (or non administration) of the balanced budget amendment * * * ." In such instances, Tribe reports, the courts might well end up assuming ultimate responsibility for managing the Federal budget. Frankly, Mr. President, I believe it is unwise and dangerous to transform the courts into another Office of Management and Budget.

Mr. President, the balanced budget amendment is not the answer to our budget deficit. It only postpones the hard choices we need to make. It disembowels the Federal Government's role in managing the economy, and it radically alters the system of checks and balances that have long been the hallmark of our system of Government.

The better alternative is to enact the Byrd amendment. It would force action this year to bring the deficit under control. It would compel us to begin to make the decision that must be made. We owe it to our children and to future generations to roll up our sleeves and get to work.

Mr. BAUCUS. Mr. President, if there is one criticism of this body that concerns me, it is that we spend too much time on extraneous issues, and not enough time on the critical ones. And when we do address important issues, we too often allow heated debate and inflammatory rhetoric to obscure objective analysis. Votes become not attempts to reach compromise and solve problems, they become litmus tests for some party's political imperative.

I believe that the debate over amending the Constitution to require a balanced budget has, unfortunately, reached this stage.

There can be no doubt of the seriousness of the problem we face. Our national debt is now at about \$4 trillion. This year, we will add another \$350 to \$400 billion to that amount.

That is an amount so large that it is hard to comprehend. And we begin to

dismiss it because it appears to have no immediate consequence.

But it has a deadly, insidious effect. It saps our economic strength. Strength we will need to prosper in a world where economic competition, not military confrontation, will determine who listens to whom.

The growing level of debt lowers our level of savings. It makes our products less competitive abroad. It increases our reliance on foreign sources of capital. And, most tragically, it mortgages our children's future.

So the real question is not whether to achieve a balanced budget. There is no quarrel with that proposition in this Chamber. We must if we are to survive.

No, the question is how. And that is where I must part company today with those who believe that amending the Constitution is the way to balance the budget.

Unfortunately, many of the supporters of the constitutional amendment, while sincere in their belief, are asking us to buy a bill of goods, sight unseen. For in all the debate over this amendment, I have yet to see an honest, workable approach that will balance the budget without unbalancing our country.

How can we, in good conscience, support such a proposition when there are so few answers about what it will take to accomplish the goal. It seems to me that amending the Constitution is too solemn a step to take without a pretty good indication of what we intend to do with it.

After all, the Constitution is not, and should not be, easily amended. But the corollary is that it also is not easy to undo mistakes.

So before we start amending the Constitution, I believe it is vital that we know what we intend, how it will be implemented, and how it will affect us.

Yet, all the amendment currently says is that Congress shall enforce and implement this article by appropriate legislation.

Some may argue that similar language has been included in other constitutional amendments and that it is necessary to prevent the Constitution from becoming unwieldy. I agree that the Constitution should not become a multivolume document.

But in the case of an amendment dealing with the budget, where complexity reigns, and the President's budget runs to more than 1,600 pages this year, we need something more. Putting the real responsibility off onto appropriate legislation is far too vague for such a complex task. That sounds like the greatest of all copouts.

For instance, the amendment is silent on the question of enforcement. Who do the sponsors think should enforce the balanced budget requirement? Will it be the Office of Management and Budget? The people who, 10 years ago, brought us the magic asterisk,

those phantom cuts used to bring their budget into line?

Will it be the President himself through the use of a line-item veto in which the fate of programs can depend more on unrelated political maneuverings than on their individual merits?

Or will it be the Supreme Court? Will the nine Justices, elected by and accountable to no one, have the power to decide which programs to terminate? Or which taxes to increase?

These are not insignificant questions. They strike at the heart of some of our most cherished concepts, such as equal representation, and no taxation without representation.

Even the more mundane, but important, budget issues, such as whether separate capital and operating budgets are allowed is not addressed.

Investments are the key to our children's economic future. They provide the foundation for the private-public partnership needed to restore our economic competitiveness.

States with balanced budget requirements recognize this by allowing a separate budget for investments in capital goods, those items that will bring a future economic return. But there is no legislation alongside this constitutional amendment to say whether such a separate budget will be allowed.

If it is not, then I fear that we will always shortchange the investments in our highways, bridges, airports, and communications facilities, needed to bring us up to world class standards and allow us to outperform the Germans and the Japanese, and the other economic powers that challenge us.

After all, the purpose of this amendment is to help restore our economic might. We cannot allow it to become a weapon against us, however unintentional. But, again, the amendment is silent, and there is no legislative language to explain what is intended.

And what of the States. Much has been made of their record in balancing budgets, at least their operating budgets. But those budgets are kept in balance with the help of some \$182 billion in Federal grants to States this year.

When the grants are cut off in order to reduce Federal spending, what happens to the States? Must they raise taxes and cut spending by \$182 billion to keep their budgets balanced? And what effect will that have?

Mr. President, my disagreement is not with a balanced budget. It is with enshrining such a requirement into the Constitution without knowing the answers to some vital questions.

If any businessperson entered into a major project with as little information on the risks and rewards as there currently is on this amendment, then the board of directors would probably demand his or her head.

I know that many of our constituents are demanding we act on this amend-

ment. Indeed, more than 30 States have passed resolutions calling for a constitutional convention to consider an amendment similar to this. So I can understand the tremendous political appeal of this proposition.

But we cannot let our accumulated frustration, and even rage, at a decade of triple-digit deficits lead us to embrace a cure that could be worse than the disease. In the final analysis, a balanced budget can only come about through the leadership of the President and the willingness of a majority in both Houses of Congress to make the tough choices and stick with them.

Without some specific answers to the fundamental questions surrounding it, we should not adopt this amendment to the Constitution. And we should focus our collective energy in working with the President, even during the remainder of this election year, on a budget that will bring the result we all desire.

Mr. SEYMOUR. Mr. President, I rise to seek clarification from my friend from Utah, the ranking member of the Banking Committee, Senator GARN, regarding title V of the bill and to express concerns I have heard from my constituents.

I, for one, believe very much in the fine work and success of Freddie Mac and Fannie Mae. As the committee report indicates, they have been successful and are an important element of our Federal housing policy. Their activities reduce mortgage interest rates and facilitate stability in lending markets.

I want to underline that this legislation is designed first and foremost to ensure the safety and soundness of Fannie Mae and Freddie Mac. Would the ranking member agree with this point?

Mr. GARN. Mr. President, let me assure my friend from California that the goal of this legislation is exactly as he indicates. Our primary focus in this legislation is to ensure the safety and soundness of government sponsored enterprises [GSE]. We must not lose sight of this goal. In fact, the 1990 Budget Act required us to review the GSE's to make sure that the American taxpayer is not exposed to unwarranted risk. I supported this bill in the Banking Committee because I believe it moves us closer to accomplishing that goal.

Mr. SEYMOUR. I am very pleased with the direction the Banking Committee has taken in terms of underlining the need for Fannie Mae and Freddie Mac to reach out to underserved communities. Both of these enterprises can play an important role in our overall Federal housing policy, and, in fact, they are taking actions on their own to reach out to underserved communities. For instance, Fannie Mae has undertaken a \$1.25 billion House America Program in conjunction with Countrywide Funding Corp. of Pasadena, CA, to finance low- and mod-

erate-income and minority homebuyers over the next 29 months. Moreover, as the committee report indicates, Fannie Mae announced in March a \$10 billion commitment to affordable housing.

However, a concern has been raised that the new housing goals established under title V may be inconsistent with safety and soundness.

Mr. GARN. Many of my colleagues may have read my views in the committee report. I will state again that the emphasis in the committee report on the housing goals in title V is misplaced with respect to this legislation's fundamental purpose, which is to ensure the safety and soundness of the GSE's. This is the legislative intent. To require the GSE's to undertake activities that do not provide a reasonable economic return or would otherwise impair their financial condition would be inconsistent with the fundamental intent of the bill.

Mr. SEYMOUR. Is it the understanding of the Senator from Utah therefore that the activities and requirements under the bill must first meet the fundamental test of reasonable economic return?

Mr. GARN. Yes. That is my understanding. The purpose of the legislation is to ensure safety and soundness. As I mentioned earlier, requiring the GSE's to undertake activities which are unduly risky or which will not enable them to earn a reasonable rate of return is inconsistent with this purpose. And let me point out that our actions here will be watched very closely by private sector investors who are really the engine behind the success of both the Freddie Mac and Fannie Mae programs. Imposing risks on investors would set back the clear progress they have been making. We want them to make further progress in this regard, but not at the expense of additional financial risks.

Mr. SEYMOUR. Is it also the interpretation of the Senator from Utah that while working to achieve these new affordable housing goals, the GSE's should endeavor to continue serving the entire existing mortgage market in all areas of the country and that, in implementing these goals, the Director should be cognizant of this important public policy?

Mr. GARN. Yes, that is my understanding. In adopting this legislation, the committee made clear its intent that the GSE's should serve all Americans to the extent practicable in light of inherent limitations imposed by the secondary mortgage market and the need of the GSE's to earn a reasonable economic return and maintain their safety and soundness. In addition, it was our intent that the implementation of title V should recognize the existence of market limitations in terms of the availability of suitable mortgage products and local market conditions.

Mr. SEYMOUR. Mr. President, I thank the distinguished Senator from

Utah for his comments and clarifications and for his leadership in bringing this bill before the Senate for action.

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

The PRESIDING OFFICER. The clerk will 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.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that there now be a period for morning business.

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

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

HIGHER EDUCATION AMENDMENTS OF 1992—CONFERENCE REPORT

Mr. KENNEDY. Mr. President, I submit a report of the committee of conference on S. 1150 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 House to the bill (S. 1150) to reauthorize the Higher Education Act of 1965, and for other purposes, 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 today, June 30, 1992.)

Mr. KENNEDY. Mr. President, the majority leader has requested unanimous consent to take up and approve the conference report on the Higher Education Act. I hope that the Senate will agree to this.

Education reform is an urgent priority for our Nation; the Higher Education Act is part of a package of legislative initiatives designed to reform and improve all aspects of American education.

All Members of the Senate have been deeply disturbed by the conditions of our elementary and secondary schools. Indeed, there is nothing more disheartening than the realization that thousands of American children will not receive a decent education.

Some may argue that concerns about higher education pale before this crisis, and that we should attend first to elementary and secondary education. After all, American higher education, despite its shortcomings, remains one of the wonders of the world.

Without questioning the necessity of more effective action in elementary and secondary education, we cannot turn our backs on higher education if we intend to honor our commitment to students who persevere in elementary and secondary school. We cannot expect students to excel in education, if there is a limit, even a perceived limit, on their educational aspirations.

We are in a position today, thanks to these 1992 amendments to the Higher Education Act, to greatly expand opportunities for higher education. In many respects this measure is an indispensable part of our efforts to restore domestic growth and competitiveness in world markets. Our increasingly technological and complex workplace demands highly skilled and educated workers. We cannot afford to have members of our work force hindered by incomplete or poor preparation.

Unfortunately, over the last 15 years, the cost of college education has increased much faster than the cost of living. Higher education has increasingly moved out of reach for low- and middle-income Americans. Unlike other industrialized democracies, America expects its students and their families to bear the primary burden of paying for higher education. We have used the opportunity of the reauthorization of the Higher Education Act to ease that burden and give more students the option to pursue a college education and achieve their full potential.

Nearly two out of every three 1980 high school seniors was enrolled in some type of postsecondary education within 6 years after leaving high school. But, after 6 years of enrollment only 40 percent of those students had completed a bachelors' degree, while 44 percent had dropped out. Clearly we must make higher education more accessible to more students, and help those who enroll finish their degrees.

One of the central goals of this reauthorization is to expand student aid for low- and middle-income families. This legislation accomplishes that goal by authorizing a long overdue increase in the size of Pell grants, and by raising loan limits and expanding eligibility for Stafford loans in order to help students keep up with the rising cost of tuition.

In addition, we have eliminated consideration of home and farm equity in determining eligibility for student aid. In the past, the inclusion of the value of a family home or farm in the need calculation has meant that many hard-working middle income families have not been able to qualify for student aid. Rather than ask them to mortgage their homes or farms in order to pay for education, we have made it possible for them to receive help from the Federal Government to meet the cost of sending their children to college.

A second key goal in this legislation is to simplify access to student aid.

Currently, the application process is extremely complex. It discourages many students, especially students from lower income families, from applying for student aid. This bill establishes a single need analysis formula to calculate eligibility for aid, and we have also mandated the use of a single, simple application form. In addition, we have established automatic eligibility for the neediest students and we have excluded from the need analysis the valuation of all assets for families filing a 1040EZ tax return. We have also created a new streamlined reapplication process.

A third issue of serious concern is the fraud and abuse in the current student loan program. In the past 5 years, we have seen a massive increase in loan defaults. Most of these defaults can be attributed to schools that fail to deliver on their promise to prepare students for the job market. The sad fact is that we have seen a proliferation of schools more interested in making a profit than training students. Students from these schools, often from low income backgrounds, are then unable to find employment, and are saddled with a student loan debt which they cannot repay.

In order to exert greater quality control over schools that participate in the Federal program, we have strengthened the three parts of the school approval process and have implemented many provisions suggested by Senator NUNN following his extensive investigation of the Student Loan Program.

Schools with default rates over 25 percent will no longer be eligible to participate in the program. The participation of short-term proprietary school and correspondence schools has been severely restricted. These changes will help insure that the programs we are subsidizing are providing our students a quality education.

A fourth set of concerns focuses on teacher recruitment, retention and development. We have established a new Teacher Corps Program to provide college aid to prospective teachers, in return for a commitment to teach in underserved areas. We have expanded programs to recruit nontraditional and outstanding individuals into teaching, and we have established national and State teacher academies for in-service teacher training and school leadership training.

A fifth major reform is the significant expansion of early intervention. The rate at which students drop out of school nationwide is a major educational and economic problem. The severity of this problem is compounded by the fact that the students who are primarily at risk are those from non-English-language backgrounds, who come from single-parent households, or who come from poor families. Their number is on the rise in our Nation's schools.

To prevent students from dropping out of school and make sure they pursue a college education, we must reach them early in the educational pipeline. Included in this legislation are two programs to address this problem: the National Early Intervention Scholarship and Partnership Program, and the Presidential Access Program.

These programs have three goals: First, to create and expand early intervention programs to help at-risk youth finish high school; second, to provide college scholarships to the students; and third, to increase the academic rigor of the courses taken by high school students. These programs identify at-risk students early in the educational pipeline and make funding available for early intervention programs to keep them in school. These intervention programs, operated by community-based organizations or local schools in conjunction with the state educational agency, continue throughout high school. One of the most important aspects of these programs is the requirement for mentors. Experience and research have shown that students need guidance and advice to achieve their potential.

In addition, students who participate in early intervention programs and complete a rigorous academic course-load will receive a scholarship to help finance their college education. If students know that a college education is within their reach financially, they are more likely to be motivated to finish high school and perform well.

We have worked closely with the administration in preparing this legislation and have strong bipartisan support for the conference report.

The major controversy in the legislation involved the so-called direct loan demonstration program proposed by Congress. Under such a plan, the Federal Government will lend money directly to students, rather than paying banks a subsidy to act as middlemen and make the loans. Direct loans will be significantly less expensive for the Federal Government to administer and much simpler for students to obtain.

The conference agreement establishes a nationwide demonstration program to test direct student loans at large colleges and universities. Under the agreement, the Secretary of Education will select schools to participate, and will assess the effectiveness of the direct loans. If the new approach lives up to its potential, we hope the Federal Government will move as rapidly as possible to expand the program.

Many of us have been urging this idea for many years, especially John Silber, president of Boston University. Senators SIMON, BRADLEY, and DURENBERGER have played key roles in advancing direct loans. It is one of the most innovative ideas in higher education, and it is gratifying that it is finally being tried.

The bill meets all pay-as-you-go provisions of the Budget Enforcement Act. Expansions in eligibility are financed by offsetting cuts elsewhere in the Student Loan Program. According to CBO, over the next 5 years, this bill saves \$2 million in the budget authority and \$40 million in outlays over the current program.

I am pleased that the administration and the Congress have been able to work out their differences on this indispensable legislation. I commend Secretary Alexander and the Department of Education for the progress we have made together and I also commend my colleagues in both Houses of Congress and on both sides of the aisle especially Senator PELL and BILL FORD who have worked so hard to enact this landmark bill, and I urge the Senate to approve it.

Educational excellence is the key to American competitiveness in today's world. Enactment of the Higher Education Act will make it possible for all qualified students to take their place in college and graduate programs across the country in preparation for entering a productive work force. The Higher Education Act will help students achieve their full potential, and help the Nation reap the rewards of their accomplishments. It is a central part of our longrun goal to revitalize our economy and invest in our future, and I urge the Senate to approve it.

Finally, let me add one further point. Now that higher education bill is completed, Congress must turn its attention to the urgent needs of our elementary and secondary schools. The system that has served this country so ably for so long needs far-reaching reform and all of us in public life must work together to achieve it.

A sound bill has passed the Senate and is moving through the House. It provides structure for the realistic reforms we need. It builds on proven successes in schools across the country and conditions Federal aid to schools on producing demonstrated results in raising academic achievement.

The time has come to create conditions for permanent improvement—not in a few schools, but in all schools, not just for a few students, but for all students in each of America's 80,000 public schools and 1 million classrooms. They need it. They deserve it. It will be hard work, but it is among the most important tasks the Nation must undertake. With the Higher Education Act under our belt, I hope that we can bring a similar spirit of cooperation to our work on this other vital education bill, and have a bill enacted by the time Congress adjourns this fall.

Mr. HATCH. Mr. President, I am pleased that we are at the culmination of our efforts to reauthorize our Nation's higher education programs. I want to reiterate my view that the bill has been developed with an eye toward

providing quality programs and good public policy. I urge my colleagues to join me in support of the final legislation.

We all anticipate that this legislation will continue to assist students to access higher education in this country while addressing some of the existing problems in the Student Financial Aid Program. I believe that this legislation is successful on both counts.

I support the maximum available Pell grant and the other changes we have made that enable students to have greater access to higher education.

I support the toughening up of the integrity provisions to correct abuses. Changes made to reduce defaults in the student loan program will also serve to increase the quality of programs available to students and to ensure accountability on the part of all players in the Student Loan Program. Changes to strengthen the role of States in the Student Loan Program will benefit both students and taxpayers by increasing the quality of schools participating in the program.

We have taken significant steps to simplify the Student Aid Program. By using a single needs analysis for the grant and loan programs, the ability of all students to apply for student aid will be increased. The current complexity and number of different financial aid forms have created a disincentive for many students to apply for financial assistance. Consequently, there will now be one Federal financial aid form. I am definitely in favor of simplifying and cutting down paperwork.

There are many provisions I wholeheartedly support in this bill, some of which I have just mentioned. However, I must express my concern with respect to the direct lending provisions of this bill. The Senate bill had no direct loan provision and the House bill provided for a \$500 million direct loan starting point. I am disappointed that the conference agreement resulted in a direct loan program that begins at a level of \$500 million. This is sort of like jogging before we know if we can walk. I had hoped we could have come up with a more modest demonstration.

We have all listened to the many claims made by the proponents of direct loans. It is difficult not to be swayed by the arguments of saving taxpayer dollars; but let us not ignore the forest for the trees. A direct loan program, even a small one, will increase the debt burden of the United States as well as transform many of our educational institutions into banking institutions. I am not at all certain that this is a good idea. I am convinced that many of the additional costs and potential problems involved in a direct loan program are being overlooked. I hope, however, that this demonstration will be carefully implemented and administered, with a minimal amount of

disruption, and that the subsequent evaluation will provide us with some concrete answers to some of these questions.

I want to again express my appreciation to Senator KASSEBAUM for her leadership. I would also like to acknowledge the efforts of Senators KENNEDY and PELL for moving this bill forward. This has been a bipartisan effort all along, and I am pleased that Senators on both sides of the aisle are able to support this important education bill.

Mr. PELL. Mr. President, I rise in support of the conference report on S. 1150, the Higher Education Amendments of 1992.

From the outset, let me make clear that the product of the House-Senate conference is one worthy of the support of all Members of this body. It is legislation that has had the needs of students and their families uppermost in priority. It is a 5-year reauthorization with over 90 percent of the funds going to student aid.

The legislation recognizes that the grant is the foundation of student aid and the most important form of assistance for students and families who lack the financial wherewithal to pay for their own education. It recognizes that financing a college education is a hardship that extends to hard-pressed middle-income families who have found themselves unable to obtain Federal student aid, either in the form of grants or loans.

While I am disappointed that we were unable to chart a course leading to a Pell grant entitlement at a definite point in the future, I am nevertheless very pleased with the changes we made in the Pell grant. We authorize a maximum Pell grant of \$3,700 for the 1993-94 academic year as a recognition of where we should be in providing grant assistance to deserving students. We remove the 60 percent cost of attendance cap which has unfairly hurt poor students at low-cost institutions. We also provide 50 percent tuition sensitivity for any increases above the current Pell grant maximum of \$2,400. This is a very important step.

Simplification is another of the important accomplishments of this legislation. For the first time, we will have one system for analyzing and determining need for all students and all Federal aid programs.

We will also have simplified application and reapplication forms that will be done in plain and simple language, and without undue complexity. For families with incomes of less than \$50,000 a year, the application will be an even more abbreviated one. What a relief these changes will be to families who previously have found the Federal aid form unnecessarily detailed, complex, and almost incomprehensible.

With respect to need analysis, we make several historic changes that will

help low- and middle-income families alike. We remove the consideration of home and family farm equity in determining financial need. All too often this did not measure a family's ability to pay for a college education, and instead punished families for whom the home was the only real asset.

We have tightened the definition of the independent student to prevent program abuse and to make sure that aid is not diverted from deserving dependent and independent students because some families found clever ways to declare their children independent in order to qualify for Federal student aid.

Less than half time students will be eligible to participate in both the Pell Grant Program and the Stafford Student Loan Program, a recognition of the growing number of adults who return to school, but can do so only on a part-time basis.

For families who previously have been punished if they scrimped and saved for their children's college education, we include savings for education in asset protection. Also, students previously found that they were expected to save an unreasonable amount of their summer and school year earnings for their education. That will no longer be the case because of this bill.

While simplification in need analysis and forms is important, we have also extended it to the delivery of student aid. We seek, once and for all, to make sure that the promise of a free Federal form is something that actually reaches the student. Supplementary information, if it is needed, is something that we intend should result in only a marginal or nominal charge to the student. What a refreshing difference these changes will be.

While we stress the importance of the grant program, we recognize that the grant is unable to cover the cost of paying for a college education. Accordingly, we provide for modest increases in the amounts students and their families can borrow. Most important, we provide an unsubsidized loan program for middle-income families who may not meet the need test in the regular loan program, but still need help in paying for their children's college education.

We also provide for a 5-year test of the concept of a direct loan program. The idea of such a program has been a subject for discussion for many years, and it is certainly time that we took a look at how it would operate, and got an idea of the advantages and disadvantages of such a program. The test we have designed should be an objective one, and should be of sufficient size to give us an idea of how the program might operate if implemented on a large-scale basis. I am extremely pleased that we have been able to reach an agreement with the administration

on the size of this demonstration, and that we have avoided the possibility that this critically important legislation might be vetoed.

In addition to the changes in loan limits and the new loan program provisions, we have made many changes designed to improve the operation and administration of the Federal loan programs. Among the more important changes are the elimination from loan program participation of all schools with default rates above 25 percent; the prohibition of commissioned salespersons to recruit students; fair and equitable refunds for students; new restrictions on branch campuses; better identification of borrowers; new protection to make sure students know they are getting loans and not grants; stiffer penalties for fraud and abuse; and provisions that make proprietary schools ineligible to participate in the Federal loan program if more than 85 percent of their operating revenue is derived from Federal student aid.

We are indebted to Senator NUNN for the work of his Investigations Subcommittee and for the recommendations he made to strengthen the loan program. My staff worked closely with his staff, and the results of their cooperative endeavors are reflected in many provisions of this bill. I consider his enthusiastic support for this legislation very significant.

In addition to tightening the loan program, our legislation contains important provisions to insure that students will receive a quality education at whatever institution they select. We significantly strengthen the triad, the process of accreditation, eligibility, and certification, and State licensing. In all three areas we strengthen Federal requirements to insure that the accreditation process is strong and credible, and that only good institutions make it through this critically important three-step process.

In addition to our Federal student aid programs, we make significant progress in several other areas as well. We have a wholly new approach to teacher recruitment, retention, and improvement. We retain well-proven programs such as the Paul Douglas Teacher Scholarship Program. We begin anew the Teacher Corps Program, and continue support for the National Board for Professional Teaching Standards. For master teachers we authorize a program of National Teacher Academies in a series of key academic areas. We authorize a series of new State and local programs for teacher excellence, including Professional Development Academies, where teachers who are already teaching might upgrade their skills. We seek to bring new talent into the teaching profession through the Alternative Routes to Teacher Certification Program and through the New Careers Program, which seeks to bring people from school support positions into teaching.

Finally, we take several other very important steps to improve the quality of postsecondary education in America. These include: a new emphasis on community service among college students; a strengthened program of library services; an upgraded and expanded program of institutional aid; a more comprehensive approach to graduate education assistance; a new program of Federal assistance to improve academic and library facilities; and a continuation of such highly successful, well-regarded programs in international education, cooperative education, the fund for the improvement of postsecondary education, and the Peace Institute.

Mr. President, this legislation is the product of well over a year's very hard work. It is legislation that was born and fashioned in a spirit of bipartisanship.

It is legislation of vital importance to low- and middle-income families throughout America who increasingly find paying for a college education beyond their financial reach.

It is legislation that brings the opportunity of a college education to millions of young and adult Americans who, without our help, would not be able to attend college.

It is legislation that opens education and training possibilities to individuals who otherwise would find none available.

It is legislation crafted to make sure that wherever students who receive Federal aid decide to go to school, they can make that decision confident that the education they will receive is a quality product.

It is legislation truly designed to keep American strong where it counts the most—in the education and character of its people.

Without question, it is legislation that we should approve with dispatch and send to the President for his signature.

Mrs. KASSEBAUM. Mr. President, I am pleased that the Senate is considering the conference report on S. 1150, the Higher Education Amendments of 1992. Putting this reauthorization bill together has been an enormous undertaking, which has consumed a good share of the time and attention of the Senate Education Subcommittee over the past 18 months. I want to express my sincere appreciation to all those on both the House and Senate sides whose hard work and dedication have allowed us to reach this point, with particular thanks to Senators PELL, HATCH, and KENNEDY.

The Higher Education Act represents a substantial Federal investment in postsecondary education. This legislation protects and expands that investment by strengthening oversight of financial aid programs, simplifying the process, expanding educational opportunities to low- and middle-income stu-

dents, and encouraging student preparation for postsecondary opportunities.

First of all, the bill contains a number of strong provisions designed to assure program integrity. In nearly every area of the Federal Government, we have heard repeated calls for greater accountability. Increasingly, Americans are wondering if Congress can really be trusted with their tax dollars.

Certainly, the record \$3.6 billion we spent in student loan default costs last year does little to instill public confidence. Through recent reconciliation bills, we have attempted to clean up problems and program abuses—including the elimination of institutions with excessively high default rates from the program. The Department of Education has also initiated a number of new efforts to strengthen its enforcement efforts.

This reauthorization bill continues and builds upon these efforts, by taking steps such as reducing to 25 percent the default rate trigger for eliminating institutions from the program; improving means for tracking students in repayment; eliminating the use of commissioned sales representatives for student recruitment; improving the exchange of information among State agencies, accreditation bodies, and the Department of Education regarding questionable practices and institutions; and strengthening criminal penalties for program fraud.

Perhaps more importantly, the bill goes beyond trying to correct problems which have already occurred and emphasizes preventing problems before they occur. Specifically, the bill strengthens requirements related to accreditation, State approval, and Federal eligibility and certification—the so-called triad—of institutions which participate in student aid programs.

Another important effort is the simplification of the student aid process. In applying for aid, students and their families face a dizzying array of application forms and questions. These students have a diverse range of needs, and diverse range of questions have been designed to determine what those needs might be. At the same time, we must recognize that there comes a point where the sheer complexity of the process does more harm than good.

Among the provisions designed to simplify the process are a single need analysis for all Federal student aid programs; elimination of several elements from need analysis, so that the number of questions that will have to be answered will be reduced; notification to students when loans are sold; and reduction in the number of loan deferment categories.

The bill also increases assistance to students by increasing loan limits; establishing a new unsubsidized loan program to provide assistance to middle-income students; eliminating consideration of home and farm equity; and in-

creasing the authorized Pell maximum grant.

In addition, this bill makes a start toward promoting higher standards in preparation for postsecondary work by establishing an early intervention program. In addition, it authorizes additional assistance to students who complete a specified set of academic courses in high school. This proposal should have a positive impact in encouraging schools to offer a demanding curriculum and in encouraging students to pursue it if they wish to go on to college.

Finally, the legislation includes a direct loan demonstration program. Although this program is somewhat larger than I believe is necessary to test the direct lending concept, it is far more reasonable in size than that originally proposed by the majority of conferees. This pilot program should provide an opportunity to look more closely at an idea which has attracted a great deal of interest and attention. It should provide definitive answers both to those of us who are skeptical about the wisdom and practicality of this approach as well as to those who would prefer that it be implemented on a much broader scale.

This bill—taken as a whole—moves us in a positive direction in terms of meeting our goals for a more accountable and accessible Federal student aid program.

EXCLUDABLE INCOME

Mr. SIMON. Mr. President, I rise in support of the conference report to reauthorize the Higher Education Act of 1965. It is through the Higher Education Act that the dream of a college education becomes a reality for many students, including the non-traditional student, who more often than not is a woman, is older, or is a single parent.

I note that there was a provision in the bill passed by the Senate that specifically excluded in the determination of the student's base-year income the income of a spouse who has died, or from whom the student has been separated or divorced. This is important, since a student's base-year income is the basis on which their projected income during the award year is determined. Thus, in the case of a woman who has been recently divorced, separated or widowed, this provision would ensure that her spouse's income—to which she no longer has access—would not be included in the calculation of her financial aid package. The House bill dealt with this issue by using the projected year income rather than the base-year income in the cases of all independent students.

Mr. President, is it the Senator's understanding that it would be an appropriate use of a financial aid administrator's professional judgment to adjust the income of students who are recently divorced, separated, or widowed by removing from consideration the income of the students' former spouses?

Mr. PELL. Yes. Those individuals that you describe certainly deserve access to a college education, and should not have their former spouse's income included in the determination of their financial need. The financial aid administrator's professional judgment in excluding the income of a former spouse is certainly appropriate in these cases.

Mr. SIMON. Mr. President, I would like to praise the work of my colleagues in putting together a reauthorization bill which, given the constraints presented by this administration and the Budget Act, makes remarkable progress in expanding educational opportunity in this Nation. Senator PELL, Senator KENNEDY, Senator KASSEBAUM and Senator HATCH, as well as their staffs, should be commended for their work. Likewise, on the House side Chairman FORD and the ranking Members there deserve equal praise.

Still, S. 1150 is not all that I had hoped it would be. As my colleagues know, I was pushing for much more significant change. I wanted us to dream, and to make some of those dreams come true. The bill does not accomplish that; it really just tinkers at the edges of the current programs. But that is not unusual for Congress, a deliberative body which is designed to make change only slowly. While the bill itself is not radical, the direction for change that it does set is visionary, and deserve the Senate's support.

Last October, Senator DURENBERGER and I introduced a measure, S. 1845, which proposed a complete overhaul of the current student loan system, saving billions of dollars which were then used to move the Pell Grant program toward true entitlement status. The changes in the loan program, which we called Income-Dependent Education Assistance—IDEA Credit—would have first, made loans available to all Americans, second, saved money by bypassing the banks, guaranty agencies and Sallie Mae, and third, offered income-contingent repayment through the IRS. Similar bills were introduced in the Senate by Senator BRADLEY, Senator KENNEDY, and Senator AKAKA. I am pleased that the conference report, in several respects, points in the direction set by these bills.

Universal eligibility for loans. Under S. 1150, no student will be denied access to Federal student aid. Even a dependent student whose family, on paper, can pay for college, will at least be eligible for a loan. The bill allows such students to participate in the Stafford loan program, but, unlike needy students, the student will be responsible for paying interest costs while in school.

Direct lending. We must do everything possible to ensure that money in the student loan system is not wasted on middle players and bureaucracy.

The first indication that there might be some room for reform in this area was actually from the Education Department more than a year ago. An internal "pro and con" analysis noted that a direct loan system could be much less expensive to the taxpayer and simpler to administer. The document, released one year ago by the Secretary of Education, stated that:

Guaranteed loans are significantly more expensive to provide than direct loans—\$1.4 billion more expensive in the first year than a comparable direct loan program. This is due to: First, the entitlement subsidy payments needed to attract and maintain the participation of private for-profit lenders; and second, the administrative and default collection allowances paid to guarantee agencies.

Due to its complexity—the great number of participating organizations, decentralized recordkeeping, and thousands of transactions—the current GSL system is error prone and extremely difficult to monitor and audit.

Recent fraud and abuse scandals involving lenders and servicing contractors are only the latest in a long history of such scandals which State-level guarantee agencies have been unable to prevent.

The GSL system is burdensome to students and schools. Students have to fill out multiple applications for student aid—one for GSL and one for other aid. There are often delays to obtain lender and guarantor approval of loans. Because most loans are transferred among lenders and servicers, borrower repayment checks may be sent to the wrong party. Schools now must deal with up to 54 sets of applications, regulations, program reviews, and reports prescribed by 54 guarantee agencies.

GSL Program changes have always been held hostage by the banks—who can always threaten to withdraw. Likewise, guarantee agencies have historically fought reforms detrimental to their interests.

That last statement turned out to be a good prediction of what would happen with direct lending. Guaranty agencies and lenders conducted an all-out lobbying campaign to convince schools and Members of Congress that direct lending was something that it was not. As I noted on the floor several days ago, even the entity that Congress created to help students, the Student Loan Marketing Association, got involved in the fight. But this is not a bankers assistance bill or a Sallie Mae assistance bill, it's a student assistance bill, and we should do all we can to help students get a higher education, whether it makes a profit for Sallie Mae or not.

Two weeks ago, the conferees voted to include a Direct Loan Demonstration Program in S. 1150, with 500 schools participating. The Education Department recommended that the

President veto the bill on this basis. I found it hard to believe that the self-proclaimed "Education President" would veto the Higher Education Act because it tests a program that will save taxpayers money. Apparently, the President's advisors agreed that a veto would be uncomfortable, and the administration in the last few days finally came to the bargaining table. The conferees changed the pilot program to be a cross-section of schools representing \$500 million in loans in the previous year. This was the House proposal, which also had previously brought a veto threat. While I preferred 500 schools, I am pleased that the administration finally believes its own analyses that this is an idea worth testing.

INCOME-CONTINGENT REPAYMENT

One of the main reasons that several of my colleagues and I became interested in direct lending is because it made possible another innovative and money-saving feature: income-contingent repayment through the IRS. Student loan debt create a number of problems that can be addressed, at least in part, through income-contingent repayment. First many youth and adults decide against going to college, because they are afraid they might fail, and they won't be able to pay off their loans. With an income-related program, that fear is reduced. During a period of unemployment or low wages, the required payments are reduced automatically.

Second, too many students don't do what they want to do with their lives, because of the loan payments they need to make. This might be a scientist who wants to be a high school teacher, but works for industry instead. Or a doctor who enters a high-paying specialty instead of working in an inner-city health clinic. Debt burdens skew these career decisions.

Finally, large debt burdens postpone dreams. I know a couple in southern Illinois who are paying more than \$800 a month in student loan payments. They would like to buy a home, but they simply can't afford to. Income-contingent payments would help to make their debt more manageable.

Income-contingent payments and IRS collection also help us to address the default problem. A large part of the current problem is that people go through a low income period, they default, then they never pick up where they left off. By reducing the required payment depending on income, borrowers can go in and out of the system without trying to figure out who owns their loans. Also, for those people who do have money and are avoiding payment, having the IRS as the collection agency will make a big difference.

There are several provisions in S.1150 that will help make payments on student loans more sensitive to the borrower's income, and perhaps lead to

collection by the IRS. First, all lenders in the guaranteed student loan program are required to offer either graduated or income-sensitive repayment. Second, 35 percent of the schools in the District Loan Demonstration Program will offer income-contingent repayment as an option, with collection most likely through the IRS. Third, the Secretary of Education is authorized to establish a program that will require all defaulted loans to be collected on an income-contingent basis. And finally, up to \$200 million in guaranteed loans which are at risk of default each year can be purchased by the Secretary so that those borrowers can make income-contingent payments.

OTHER PROVISIONS

That is not all that is good about this bill. It also makes great strides in simplifying the process for applying for Federal financial aid, and developing a formula that will make sense to American families. For example, families will no longer be told that they must sell their homes or farms in order to send their kids to college, and they will be able to save more money for college without being penalized with less aid.

The bill also significantly strengthens the oversight of schools in the program by toughening accreditation and Federal certification standards, and prompting State reviews of institutions that have high defaults, complaints, audit problems, and other indicators of possible misuse of Federal funds. These changes will help to restore confidence in the student aid programs. As part of this effort, I worked with Senator METZENBAUM on some provisions to help students who have been victims of fraud and abuse at some schools. One change will cancel student loans in cases where a student was defrauded by the school or the school closed before the student finished the program. A second amendment improves the current loan rehabilitation program so that guaranty agencies, when arranging a new payment schedule on a previously defaulted loan, will take into consideration the borrower's income. This way, people on welfare who are trying to get an education to get a better job—(as required by the Federal Jobs Program)—can take care of the default and qualify for a Pell grant. We are indebted to the tireless work of legal services attorneys from around the country who recommended these and other changes.

The new title V significantly expands the Federal Government's effort to improve teacher training in this Nation, and to encourage more young people to go into teaching. For example, the bill expands the current program, named for the great Senator Paul Douglas, which offers scholarships to students in the top 10 percent of their class who agree to enter the teaching profession. Another program I created when I was

in the House, the Christa McAuliffe Program, is also expanded. It rewards veteran teachers with grants for sabbaticals and special projects. Thanks to my colleague from Illinois, Mr. HAYES, the conference report also includes a demonstration program to help train school-based decisionmakers such as the new local school councils in Chicago. And finally, a new program is authorized to recruit and train individuals for career counseling young children who have been exposed to community violence, something that is far too common in our inner cities.

ENSURING ACCESS TO AID

Both the Senate and the House versions of the reauthorization included provisions to ensure that all students have adequate access to financial aid, and the conference report takes the best of both versions. First, S.1150 removes the requirement—added by last year's Emergency Unemployment Compensation bill but never enforced—that students receive credit checks prior to getting student loans. That requirement would have caused major, unnecessary disruptions in millions of students' education, both because of the enormous error rate for credit checks and because it conflicts with the purpose of the loan program: to help students improve their earning potential so they can pay off those debts.

The bill also strengthens the lender-of-last-resort program, in which guaranty agencies help provide loans to students at schools not well served by banks. At the same time, the bill allows guaranty agencies to keep schools out of the lender-of-last resort program if there is evidence that the school is not providing a high quality education. By including high default rates as one measure, the conferees did not intend to presume that such schools are necessarily poor quality; they may simply serve a low-income population. In asking the Education Department to approve its exclusion of a school from the lender-of-last resort program, guaranty agencies should offer other evidence, beyond the default rate, that the school is not serving its students well.

Mr. President, there are many other positive changes that have been made to the student aid programs, and a number of important, new programs that will allow us to invest in our future through education. I urge my colleagues to support the conference report.

Mr. THURMOND. With regard to the reauthorization of the Higher Education Act, I would like to ask my distinguished colleague, the senior Senator from Rhode Island and chairman of the Subcommittee on Education, Arts, and Humanities, a few questions about a specific amendment agreed to by the House and Senate conferees relating to the eligibility of foreign medical schools to participate in the Stafford student loan program.

It is my understanding that section 481(a)(2)(A)(i) was amended by adding the words "or" "(ii) the institution's clinical training program was approved by a State as of January 1, 1992."

Mr. PELL. That is correct.

Mr. THURMOND. It is also my understanding that the language of this amendment was specifically drafted and is intended to include the American University of the Caribbean Medical School [AUC] in Montserrat, West Indies. AUC was recommended by the State of California's Board of Medical Quality Assurance and approved as having met all State licensing requirements, thus AUC was deemed as having a qualified medical school curriculum. The State of California Board's recommendation enables foreign medical school students to participate in a clinical training program within a State approved hospital, pursuant to section 1327 of the California Code of Regulations as of January 1, 1992.

Mr. PELL. That is my understanding. When the amendment was drafted we understood that it would include at least four institutions, one of which was the American University of the Caribbean Medical School [AUC].

Mr. THURMOND. It is also my understanding that in section 481(a)(2)(A) that foreign medical schools have to comply with either category (i) (I) and (II), or category (ii). Is that the Senator's understanding as well?

Mr. PELL. Yes, it is. Under section 481(a)(2)(A) all foreign medical schools will have to fully comply with either category (i) which requires the foreign institution to maintain 60 percent of their enrollment as non-U.S. citizens and the foreign institution must have a 60-percent passage rate of their foreign medical graduates during the course of 1 year, or be able to meet the criteria set forth in category (ii) of having had an approved clinical training program in any State in the United States as of January 1, 1992.

Mr. THURMOND. I thank the chairman for clarifying the intention of this amendment. If this amendment were misinterpreted, it could have a devastating effect upon the American University of the Caribbean Medical School, which has educated several medical doctors who have come back to urban and rural areas of my home State of South Carolina. These doctors make a significant difference in the availability of health care for hundreds of people in my home State as well as throughout the country.

Thus, I have taken additional time today to make clear the intention of the conference report language, so that there is no misunderstanding as to what the word "approved" means in section 481(a)(2)(A)(ii).

I thank the senior Senator from Rhode Island for his assistance in helping clarify the intent of the provision.

Mr. FORD. Mr. President, I want to take this opportunity to thank my dis-

tinguished colleague, the chairman of the Education Subcommittee, Senator PELL, and his staff, for attempting to accommodate my concerns with regard to financing of infrastructure and dormitory needs at colleges and universities, particularly small institutions, in Kentucky. Although I understand my amendment in this regard, included in the Senate-passed bill, did not survive conference intact, I appreciate his efforts to ensure that funding by the Student Loan Marketing Association, Sallie Mae, will continue to be available for security systems, boilers, heating and cooling systems, and other infrastructure needs.

I remain concerned that the restrictions on funding by Sallie Mae for educational facilities contained in the conference report to S. 1150 may ultimately result in fewer projects being funded at Kentucky independent colleges and universities. It was on behalf of this group that I sought language which would have allowed Sallie Mae to continue to package infrastructure projects, such as boilers and security systems, with dormitory financing in order to secure funding for otherwise high-risk projects.

While I understand the chairman's desire to ensure that sufficient financing is available for academic facilities, I remain concerned that many of my small colleges and universities have no alternative to Sallie Mae financing for nonacademic, but equally necessary educational facilities, including infrastructure projects. With our State governments in no better condition financially than the Federal Government, it is important that we maintain this private source of financing of higher education facility needs.

I thank the chairman for his efforts to ensure that financing for educational facilities, both currently in the pipeline and in the future, continue to be available, although in a restricted manner. I will continue to monitor this situation to see what impact these restrictions will have on Sallie Mae's ability to finance Kentucky institutions' infrastructure and facility needs. If we should find that modifications are needed in the future to ensure access to this financing, I hope that the chairman and his staff will be equally accommodating.

Mr. PELL. The Senator from Kentucky has been an effective spokesman on behalf of his colleges and universities. Our intention is not to completely preclude financing for infrastructure and dormitory needs, but to focus funding on academic facilities. We believe that the language provides adequate authority for financing infrastructure and limited facility needs. Should this prove not to be the case, I stand ready to work with my colleague to address his concerns.

Mr. FORD. I thank the chairman for his usual courtesies and assistance.

Kentucky institutions, and the students they serve, owe him a great debt of gratitude for his leadership on behalf of higher education.

Mr. LAUTENBERG. Mr. President, I rise in support of the conference report accompanying the Higher Education Act. I would like to congratulate the principal architects of the legislation, Senators KENNEDY, PELL, HATCH, and KASSEBAUM for this major accomplishment.

This legislation makes significant expansions in Student Grant and Scholarship Programs which help many young students gain access to higher education and ultimately the American dream. I especially applaud my colleagues for the increases that this bill provides for Pell grants and guaranteed student loans.

Mr. President, I strongly support the growth in these programs. These programs provide a helping hand to families who would otherwise not be able to send their children to college.

However, I am also concerned about the other side of the higher education equation. I am referring to the staggering growth in the cost of tuition over the past decade.

Mr. President, American families are experiencing sticker shock when they look into the cost of higher education today. Many families in my State face college tuition bills of up to \$25,000 per year for each child. This is \$100,000 for an undergraduate education, for one child. The parents and students of my State are struggling to afford a college education. Many parents who attended college in the 1960's now see their children facing college tuition bills that are up to 100 percent higher than those in the mid-1960's in inflation adjusted dollars.

While the Federal Government has tried to make college more affordable through legislation and program expansions, the cost of college tuition, room and board has grown so rapidly that it is nearly out of reach for many middle-class families. Many middle-class families in my State, as well as others, are not eligible for Federal or State assistance programs and have to pay the entire cost of tuition, room and board out of their own family budgets. This is becoming more and more difficult for many families.

Mr. President, I would like to describe what has happened to the cost of tuition over the past 10 years. From 1981 to 1991, tuition costs for both public and private schools have greatly outpaced the CPI. In some years, it has grown at two to three times as fast. This helps explain the struggle that American families have faced and are now facing every year as they try to afford a college education for their children. This has happened during the Reagan-Bush administrations, when middle class real income stayed relatively flat and the tax burden shifted from the wealthy to the middle class.

Mr. President, I would also like to compare the growth in tuition costs to the increasing cost of health care. From 1980 to 1988, the CPI rose 44 percent, compared to an increase of 106 percent for health care. What is striking about this comparison is that the cost of tuition has increased nearly as fast as the cost of health care.

While many experts today have different approaches to solving the health care crisis that faces our country, one thing that all agree on is that we need to take action to control health care costs. At the same time that we explore options for controlling health care costs, I believe we have failed to address the growing cost of tuition that has increased nearly as fast.

Finally, I would like to call attention to another disturbing trend that is taking place in higher education. The trend that I am referring to is the explosion in administration costs in colleges and universities as compared to expenditures on instruction. Today, colleges and universities are spending 45 percent of the cost of instruction on administration costs. This is up from 19 percent in 1930 and 27 percent in 1950.

What are these administration costs? These are costs associated with personnel who collaborate, supervise, set policies and perform services such as producing a college catalog, registering students, and performing financial activities. These costs do not include expenditures on libraries, counseling, admissions, placement, physical plant, research, and faculty salaries. Something needs to be done to stem the tide of increasing expenditures on items not directly associated with the education of our Nation's students.

Mr. President, where do we go from here to try to hold down tuition costs and reduce administrative costs? I think that an amendment that I offered to the Higher Education Act and that has been included in the conference report is a good place to start.

My amendment is designed to begin to address these problems of increasing tuition and growing administrative costs. It will establish the National Commission on the Cost of Higher Education to study the problems of increasing tuition and rising administrative costs and make policy recommendations on how to hold these costs in check. This will be a bipartisan Commission, including members appointed by the President and Congress. The membership will include academics as well as other higher education experts. The Commission will report its findings and make recommendations to Congress.

This Commission will assist the Congress and the academic community in beginning to help solve the problem of exploding tuition costs. If we do not move forward in this area, no matter how much student assistance the Congress can provide in these tough budget

times, it will not be enough to prevent a college education from being out of reach for the average middle-class family.

Mr. President, I want to reiterate that the Federal Government needs to play a strong financial role in ensuring access to higher education for all who are qualified. But I think we need to go further and examine the costs of higher education as well.

I urge my colleagues to support the conference report.

Mr. COATS. Mr. President, I am pleased that the conference report on higher education contains language providing important provisions for protection of the integrity of the student loan program. One such provision, which I offered, ensures that no lender should be required to lend to institutions which have excessively high default rates, or are under emergency suspensions or actions.

However, this language provides the Secretary a waiver to ensure that no institution is eliminated from eligibility of lender of last resort if in the judgment of the Secretary there are exceptional mitigating circumstances which make the application of the provision inequitable. It would be appropriate for the Secretary to take into consideration high unemployment rates in an area, exceptionally large enrollments of minority students, or an institution's consistent record in meeting acceptable default standards.

I believe this is an important provision which will ensure that all students have access to loans, while providing important protections to the American taxpayer.

Mr. DURENBERGER. Mr. President, I rise today in support of Senate passage of the conference committee report on S. 1150, legislation reauthorizing the Higher Education Act.

But, before I do that, I'd like to thank our distinguished chairman, Senator KENNEDY, for his outstanding leadership in shepherding this huge and complex piece of legislation over the past year and a half. And, I must also recognize the exemplary contributions of our distinguished colleagues from Rhode Island, Utah, and Kansas for their untiring bipartisan efforts to see this process through to the end.

As I have said many times during the 18 months we have been working on this legislation, few issues are more troublesome to Americans than the rising cost of higher education. In fact, a recent national survey found concerns about paying for college rank third in what most worries our Nation's citizens—behind only crime and drugs and ahead of health care.

Much of this concern reflects rapid increases in tuition at most public and private colleges over the past decade. The dilemma is especially troublesome for middle-income Americans who don't qualify for need-based student

aid, but who also can't afford to pay the rising cost of college out of current income and savings.

As one Minneapolis couple wrote me recently, "Even though our combined incomes are about \$60,000, we find it hard as middle class citizens to pay college expenses and support a family. We are too poor to be rich and too rich to be poor."

Parents with young children who look at projections of future tuition levels find the prospects of paying for college education even more distressing. Parents with two or three children now in elementary school, for example, are looking at college expenses down the road that could easily exceed the value of their home.

Parallel to the concern about rising costs is the increasing uncertainty that college graduates face in today's economy. Many of today's graduates earn less, relative to the cost of their education, than their predecessors. And, they may have to endure periods of unemployment or underemployment prior to settling into a better paying job in their chosen field.

I ran into one of those borrowers recently in Duluth, a reporter for one of the local radio stations who defaulted on his student loan a few years ago while in a low paying job. Today, because of that black mark on his credit rating, he and his wife can't get a loan for their first home.

My mailbag is full of similar sad stories including one Robbinsdale couple—both in default, but both now having the incomes and future earning potential to eventually pay off their loans.

But, because they are in default, their loans are now in the hands of a collection agency which is demanding payments they can't make.

"We would like to make regular payments," this couple wrote me recently. "But, we feel our efforts are denied by the creditors insisting on unrealistic expectations."

The high cost of higher education and uncertainties in the economy have become a particular problem for lower income students—many of whom have had to turn to loans to bridge the gap between available grants and scholarships and rising levels of tuition and other expenses.

As one advocate for many of these low-income defaulted borrowers wrote recently:

"Most of these clients pursued education in good faith, hoping that school would result in a career and a better life. Their circumstances derailed their plans, but when we see them, they remain poor, unemployed, on assistance, and stuck."

"Perhaps most damaging is exclusion from additional financial aid. Thus, they find that the one door to self-sufficiency—education—is closed and locked."

Since the Federal Higher Education Act was first enacted in 1965, students

and their families have looked to Pell grants and guaranteed student loans to help fill that gap. But, even though overall funding for Federal student loan and grant programs has gone up in recent years, we have not kept up with rising costs.

And, with rising costs and the increased dependence on borrowing has come an explosion of defaults on federally guaranteed loans. Last year, Federal student loan defaults totaled \$3.9 billion. Since 1987, defaults have totaled \$11.5 billion.

Many of these defaults occur in situations where students face unemployment or underemployment following graduation, even though their incomes are likely to be higher within several years when more sizable loan payments could be made.

FIVE GOALS FOR REAUTHORIZING THE HIGHER EDUCATION ACT

Mr. President, we began this reauthorization process almost 18 months ago.

As a member of the Labor Committee—and representing a State that cares very deeply about education at all levels—I made an early commitment to place a high priority on this reauthorization. I held hearings and conducted meetings in college towns all over Minnesota. And, I received a great deal of input through letters and personal conversations with students, parents, State government officials, college administrators, financial aid directors, and others concerned about the future of higher education in our State.

As I listened and learned about the concerns of Minnesotans, I identified five personal goals for this year's reauthorization.

My first goal, Mr. President, was to simplify what has become an overly complex and bureaucratic system of determining eligibility and awarding and repaying Federal financial aid.

Under current loan and grant programs, students and their parents are expected to master a system that only a handful of financial aid experts truly understand. And, far too much of our financial aid dollar goes—not to students and to institutions—but to a myriad of financial institutions, guarantee agencies, secondary markets, collection agencies and others who have grown up around this system.

My second goal for this reauthorization, Mr. President, was to assist middle income students and their families pay the rising cost of going to college.

As recently as one generation ago, many middle income families could combine scholarships, savings, and current student and parent income to finance a college education. Today, many students from the same income ranges are either restricted in their choice of institutions and careers, forced to delay graduation in order to take time off to earn a higher propor-

tion of their tuition and other expenses, or forced to assume debt levels that become unmanageable or that skew career and family choices.

Third on my list of priority goals, Mr. President, was to reduce the rising level of student loan defaults.

Again, default levels are rising to unconscionable levels, draining higher education revenue away from students and schools and inhibiting future opportunities for the millions of student borrowers who have defaulted on their loans. It's been estimated that 40 cents out of every Federal student aid dollar is now going to pay for defaults. We must have greater incentives and rewards for institutions to bring that number down. And, we must give student borrowers more flexibility in repaying loans by tying loan payments more closely to post-college income.

Fourth, Mr. President, I set out in this reauthorization to adjust loan and grant limits to combat rising costs.

In recent years, we have seen a dramatic shift in the proportion of student aid coming from loans as opposed to grants, scholarships, and other forms of institutional aid. Fiscal realities at both the State and Federal level make it impossible to restore outright grants—as a proportion of tuition and total aid—to previous levels.

But, through greater efficiencies and better targeting of grants, we must be working to increase grant levels to help meet rising costs. And, to avoid forcing students to assemble an expensive patchwork of different public and private loans, borrowing limits on Stafford and other guaranteed student loan programs should be increased.

And, finally, Mr. President, I began this reauthorization process with the goal of rewarding excellence and encouraging better preparation for college.

Our first criteria in awarding grants and scholarships should continue to be financial need. But, among those who are income eligible, there should be extra financial incentives to prepare for college by taking appropriate courses and doing well in high school, and by taking advantage of TRIO and other early intervention programs aimed at at-risk students. Those same incentives should apply to students once they are in college—to qualify for larger amounts of financial aid based on how well they do academically.

A BETTER IDEA FOR PAYING FOR COLLEGE

To help achieve these goals for the reauthorization, Mr. President, I felt strongly that we must not simply fix-up and fine-tune our current myriad of student grant and loan programs. To help position higher education financing for the 21st century, I firmly believe we need a different and better way of paying for college.

In particular, I believed we must eliminate as much red tape and bureaucracy as possible, both to simplify

loan application and repayment for borrowers and to save money that could be better spent on grants and loan subsidies. And, I believed we must make loan repayment more flexible, so that payments can be adjusted to reflect both higher debt levels and the economic uncertainties and fluctuating incomes that many college graduates now face.

To promote these goals for the reauthorization, I introduced the Income Dependent Education Assistance [IDEA] Act in August 1991. My IDEA Act, S. 1645, had been introduced previously in the House of Representatives by my mentor on this subject, Congressman TOM PETRI from Wisconsin.

IDEA is a new form of student aid—a direct loan from the Government that is available to every student, regardless of income, with repayment based on post-college income and made through payroll withholding to the IRS.

In October, I then joined with my distinguished colleague from Illinois, Senator SIMON, to introduce an expanded version of IDEA as the Education for All Students Act, S. 1875. This proposal used an estimated \$3.7 billion in savings resulting from IDEA to help expand the Pell Grant Program, to create a new merit-based Excellence Scholarship program for high achieving Pell grant recipients, and to help fund State-sponsored early intervention programs designed to help prepare at-risk high school students for college.

This bipartisan alliance was enlarged in February of this year when Senators KENNEDY and BRADLEY joined Senator SIMON and me in introducing a third version of the IDEA proposal. This proposal for an income-contingent direct loan demonstration, S. 2255, had been prepared as an amendment to the Higher Education Act, but wasn't offered when agreement on the size of the demonstration could not be reached with the Bush administration.

S. 2255 was included in the Democrats' tax bill which passed the Senate in March, but was later vetoed by President Bush.

Meanwhile, Mr. President, the House of Representatives had included a direct loan demonstration in its version of the Higher Education Act H.R. 4471, which passed the House in late March. In addition to the demonstration, Congressman PETRI also successfully offered two amendments to H.R. 4471 on the House floor to grant the Secretary of Education authority to offer income contingent repayment when loans are in default or at risk of going into default.

CONFERENCE AGREEMENT ACHIEVES ALL FIVE MAJOR GOALS

With this groundwork, Mr. President, the task of achieving my original goals for the reauthorization depended on the outcome of the House-Senate conference committee that was assembled

to iron out more than 1,500 differences in the two versions of the legislation reauthorizing the Higher Education Act. In particular, achieving my original goals depended on melding strong interest in income-contingent repayment on the part of key Senators with the direct loan demonstration and Petri income contingent amendments included in the House bill.

No piece of legislation this large and this complex will satisfy everyone. And, whatever we do to increase access to student loan and grant programs will inevitably be tempered by the fiscal realities we face as a nation.

But, I'm especially pleased that the legislation that emerged from the House-Senate conference committee addresses all five goals I had for the reauthorization. And, the pending conference agreement includes a number of essential elements of the various legislative proposals that I introduced over the last year. Among those elements are:

1. UNIVERSAL ELIGIBILITY FOR LOANS

The higher education conference committee agreement includes a new unsubsidized Stafford loan program for students and families who don't now qualify for a loan because their incomes are too high. In addition, more middle income borrowers will be eligible for subsidized loans and grants under the provision dropping home and farm equity and college savings from the calculation of family assets that determines student aid eligibility.

2. INCREASED LOAN AND GRANT LIMITS

Maximum borrowing levels have been raised for all the Federal loan programs to help meet the rising cost of tuition and other college expenses. For example, Stafford borrowers will have annual loan limits for second year students increased from \$2,625 to \$3,500 and for third and fourth year students from \$4,000 to \$5,500. Graduate student limits are also increased from \$7,500 to \$8,500 per year.

Similar increases in annual loan limits are being made in the Supplemental Loans for Students [SLS] and Parent Loans for Undergraduate Students [PLUS] programs. And, subject to annual appropriations, larger Pell grants will be available to students who meet the income qualifications for this vital program. The maximum authorized Pell grant will be raised to \$3,700 in 1994, with \$200 increases in the maximum grant authorized for each succeeding year.

3. NEW DIRECT LOAN DEMONSTRATION

Students on a limited number of college campuses will have the opportunity to test the efficiencies and reduced redtape made possible by a pilot direct loan program. The demonstration will make loans available directly from the Government through schools, rather than through the current maze of financial institutions, guarantee

agencies, and secondary markets. Schools with currently a total guaranteed student loan volume of \$500 million will be included. It's estimated that it would take about 225 schools to reach this total loan volume.

4. MORE FLEXIBILITY TO TIE LOAN PAYMENTS TO INCOME

The most important principle in the legislation I introduced is that student loan payments should be tied to post-college income—easing cash-flow burdens on students and dramatically reducing current levels of student loan defaults. That principle is applied at several different points in the conference committee's agreement including:

A requirement that all Guaranteed Student Loan Program lenders offer either graduated or income sensitive repayment options to borrowers.

A provision in the direct loan demonstration requiring 35 percent of the participating schools to offer income contingent repayment as an option—with loan collection most likely to be handled through payroll withholding by the IRS.

Authorization to the Secretary of Education to establish a program under which defaulted loans will be collected with payments tied to borrower income.

Authorization to the Secretary of Education to purchase up to \$200 million in Federal student loans that are at risk of default, with those loans then converted to income-contingent repayment.

5. REWARDS FOR ACADEMIC EXCELLENCE

Finally, Mr. President, a new Federal Access Scholarship Program is authorized by this legislation that rewards high achieving low-income students with a bonus of at least \$400 per year on top of their Pell grant. Income eligible students may qualify for this extra assistance by doing well in high school or by participating in early intervention programs designed to prepare at-risk students for college.

MINNESOTA WINS ON OTHER ISSUES IN THE REAUTHORIZATION, AS WELL

Mr. President, the Federal Higher Education Act is best known for its financial aid provisions, but there are dozens of other important higher education programs also authorized by this legislation—ranging from library grants to teacher training initiatives.

And, while my primary contributions to this reauthorization focused on the direct loan and income contingent repayment provisions outlined above, I was also involved in resolving several issues of particular interest to Minnesota higher education institutions and students.

One such issue involved contained financial aid eligibility for students who take courses via various telecommunications medium. It was my position that students who are eligible for financial aid and who are taking courses

through institutions that are eligible should not be discriminated against if they take those courses over television or some other form of telecommunications. That position eventually prevailed.

A second such issue involved continued eligibility of prisoners for Pell grants. I agreed with Minnesota officials that talking college courses can help individuals gain job skills that will help increase chances they do not become repeat offenders.

In the reauthorization bill, we did deny student loans to prisoners as well as take steps to discourage States from dropping their own higher education programs and to discourage the start-up of new schools that cater just to prisoners. An attempt to totally deny Pell grant eligibility for prisoners, however, was defeated in conference committee.

Other issues on which I worked closely with Minnesota higher education officials included Federal funding for new oversight responsibilities being given the Higher Education Coordinating Board, reserve requirements for the NorthStar Guarantee Agency, and implications of a needed effort to simplify forms used to apply for financial aid on institutions like the University of Minnesota that are moving toward more electronic transmission of financial aid information to banks and other intermediaries in the system.

Because of the length and complexity of this legislation, its full effect probably won't be known for some time. Much of the detail in specific programs will also get fleshed out in rules and regulations issued by U.S. Department of Education.

As so, as a member of the Senator Labor and Human Resources Committee, I intend to closely monitor implementation of this legislation—to ensure that congressional intent is carried out and to ensure that Minnesotans are kept informed and involved.

HEA ENACTMENT CAN DEMONSTRATE COMMITMENT TO BIPARTISANSHIP THAT PRODUCES RESULTS

Mr. President, early in our consideration of the HEA reauthorization, the Bush administration began sending strong signals that the President would veto any legislation that included a direct loan component. That veto threat was repeated again during the conference committee process when it became obvious that a direct loan demonstration would be included in the final bill.

Throughout this entire process—and since the conference committee process was concluded—I have had numerous conversations with administration officials in an attempt to both identify and respond to their concerns about the direct loan demonstration.

There are clearly philosophical concerns about replacing the current role of banks, guarantee agencies, second-

ary markets, and collection agencies with new expanded roles for schools, the U.S. Department of Education, and the IRS. To address those concerns, I and other backers of the direct loan demonstration agreed to limit its size to schools with a total current guaranteed student loan volume of \$500 million.

But, I also think it's important to point out, Mr. President, that this program is not intended to result in a dramatic increase in borrowing by either the Federal Government or students. The intent of this demonstration is to retain the eligibility requirements, loan maximums, and other characteristics of existing loan programs—and to change only the method by which loans are initially accessed and ultimately repaid.

Overall, however, I do realize that the conference agreement—and particularly the direct loan demonstration—could lead to substantial changes in the status quo. But, substantial change is justified, Mr. President, in a system that wastes too much money we don't have on defaults * * * a system that burdens students and their families with red tape and bureaucratic intermediaries that add more cost than they add value.

To be blunt, we can no longer afford to squander billions of dollars a year on red tape and on unnecessary defaults. Those billions of dollars belong in the classroom, not in six and seven figure salaries at Sallie Mae. And, we cannot afford to be spending money that belongs in higher education on collection agencies and bad debts.

Americans today, Mr. President, are properly demanding an end to business as usual from their elected leaders. They've tired of governmental programs that promise more than they can deliver and that cost more than we can afford. And, Americans are insisting that we show evidence, not only of real change, but of real commitment to the kind of bipartisan collaboration that produces results.

We now have an opportunity to respond to those demands as we complete work on the Higher Education Act reauthorization. I look forward to making that goal a reality. The people that we represent are demanding—of all of us—nothing less.

Thank you, Mr. President. I yield the floor.

Mr. JEFFORDS. Mr. President, I rise in support of the conference agreement to reauthorize the Higher Education Act.

I want to commend subcommittee Chairman PELL and Senator KASSEBAUM for their diligent efforts to reauthorize one of education's most significant pieces of legislation.

Overall the measure before use is a good one. Its clear intent is to increase access to students and families to postsecondary education. It tightens

provisions to weed out unscrupulous institutions and simplifies the aid application process.

I am particularly pleased that the conference agreement includes my amendment to increase loan limits. Increased loan limits closes the gap between available Federal funds and the cost of tuition.

The measure also increases to middle income students. Under the agreement loans are available to students who do not qualify for Pell grants or Stafford loans. Different from Stafford loans the Federal Government does not pick up interest payments during the in-school period. However, these loans will significantly increase access to our middle income families.

I am further pleased by the inclusion of my early intervention proposal. Early intervention provides at-risk students counseling and support in their developmental years and encouragement to stay in the education pipeline. Upon matriculation, grants are available for tuition assistance. Such a proposal can dramatically increase high school retention and postsecondary opportunities to the disadvantaged students in this country.

The measure provides a new formula to States for facilities funding. Studies indicate a \$60 billion need for facility construction and renovation. The agreement renews the Federal Government's responsibility and commitment for investing in facilities funding. The program is crucial, not only to our universities and colleges, but to the competitive nature of our Nation as a whole.

Furthermore, the legislation increases State oversight in the program integrity section of the conference agreement. Recent reports of fraud and abuse have focused attention on how to improve the regulatory structure in order to assure the integrity of the student aid program. The provisions in the agreement increase assurances of integrity without undue State oversight or intrusion.

Change, however, brings with it the interesting phenomena of good and bad. In that sense I feel my support is somewhat bifurcated. I support the measure yet I have some healthy fears about the impact of some of the changes we have made.

For example, the agreement establishes new criteria for determining eligibility for Federal financial assistance. It simplifies the process by creating a single formula for distributing Pell grants and Stafford loans.

Combining two formulas brings both benefits and drawbacks. The benefit is simplification, the drawback is possible displacement of students within the program. We will not know the specific impact of some of our changes until the formula is in place. However, if the new formula results in significant shifts within the student popu-

lation I would hope that this body would revisit the issue.

I would be remiss, however, if I did not mention that such a formula change would not have been necessary had this body been able to make the Pell grant an entitlement. I understand the constraints of the Budget Act and the costs of creating a new entitlement, however, some day we must weigh the cost of not doing something. Refraining from creating a Pell grant entitlement may be saving us money now but will cost us in the long run.

My final comment is my grave concern over the size of the new direct lending program. This provision moves Federal financial assistance from the public/private sector to the public sector alone. It essentially creates a direct lending program from the Federal Government to institutions. The proposal of cutting the private sector out of the lending process claims to save \$1 to \$2 billion a year.

Tempting as this sounds, there remain unanswered questions. How would the Department of Education administer such a program? Where would the Federal Government come up with the money to fund a \$50 billion program? How do we transition into the program and what effects will it have on students, families and institutions? These are just a few of the questions that, in my mind, have not been answered. Unanswered, they pose significant threats to the loan program and to millions of students.

I do not oppose the concept—for I believe that new models must be tested—however, I do believe that we must move cautiously until impact is assessed. Failing to adequately plan for these shifts will be, and are, a major hurdle as we struggle to answer complex problems and opportunities.

In light of the ongoing studies and the dearth of information, I have argued for caution. The time is ripe for a demonstration, which can be studied and examined, not an overhaul of the system without proper understanding of the ramifications.

Mr. COCHRAN. Mr. President, I am pleased to support this legislation. Its objective is the preservation and strengthening of our higher education system and the guarantee it provides to all that access to that system exists without regard to economic status.

It was developed over the last 1½ years with the help of the administration, education associations, college presidents, parents, and students.

The Labor and Human Resources Committee has done important work on the Federal higher education programs, making them more responsive to the needs of students and the challenges we face as a Nation.

The assurance of access to postsecondary education and the opportunities it provides is the most important aspect of this legislation in my opinion.

Among the programs designed to reach the neediest students are: increased grant aid for students most in need with Pell grant maximum awards increasing to \$3,700 in 1993; revised Pell grant in terms of the actual costs; and a new scholarship for students from economically disadvantaged families.

The Presidential scholarship will provide disadvantaged students with an incentive to excel academically because eligibility is dependent upon a student's having completed a rigorous core curriculum in high school.

Middle-income families are provided greater access to student aid by eliminating farm and home equity from the calculation used to determine a student's eligibility for financial assistance. Another provision of this bill will extend eligibility for Supplemental Loans for Students to dependent students, thus increasing the options for middle income students and their families.

Increases in annual borrowing limits for federally subsidized loans will be particularly helpful to middle-income students. Loan limits have also been increased in the unsubsidized loan programs for students with greater family resources, and the bill establishes a new unsubsidized loan program that makes loans available to students and their families with no restrictions on earned income.

I am particularly pleased that we were able to simplify financial aid programs for students and families by creating one form for all grant and loan programs, at no charge to the student.

We have improved outreach, early intervention, and support services for low-income and educationally disadvantaged students, so that more students can go to college and succeed there.

Mr. President, guaranteed student loan defaults are expected to reach an alltime high of \$3.6 billion this year and pose a major threat to the stability and integrity of student aid in general. Serious questions have been raised about the program's effectiveness as the primary vehicle for federally supported student assistance.

The foremost challenge we faced in this reauthorization was how to strengthen the aid programs so as to assure the integrity of the programs. Steps have been taken to improve the standards for institutional participation in the programs.

Accrediting agencies, the States, and the Federal Government must all do a better job in assuring program quality and institutional capability.

We have also taken steps to reduce the number and costs of loan defaults. In addition to continuing and strengthening the default control provisions of the 1989 and 1990 budget reconciliation laws, we have included new provisions to strengthen further the incentives for all parties, students, lenders, as well as

schools, to reduce defaults and improve collections on defaulted loans. New provisions will give students an opportunity to repay loans based on their income.

Mr. President, as a member of the Appropriations Committee, I can speak firsthand to the frustration of having to devote precious resources to default costs, rather than to expanded aid to students.

The bill establishes much needed academies for teachers and school leaders to help them do a better job in the classroom.

Alternative certification demonstration grants are authorized to allow States to experiment with bringing teachers into the classroom that may have an expertise that makes them valuable, but who have not been certified by traditional certification requirements.

Community colleges are serving greater numbers of students, particularly nontraditional students who are entering school for the first time or returning to upgrade their employment skills. To meet the special needs of these institutions, an Office for Community and Junior Colleges is authorized within the Department of Education.

Mr. President, this conference agreement reflects a conscientious effort of the conferees to put students first. I believe our institutions of higher education, the students who attend them, and our Nation will be well served by the Higher Education Act Amendments of 1992. I urge Members to support this conference agreement.

Mr. HATFIELD. Mr. President, I am pleased to voice my support today for passage of the conference report to accompany S. 1150, the Higher Education Act Amendments of 1992. I commend my colleagues on the Senate Labor Committee for their work in crafting a higher education package which has many innovative components.

Earlier in this Congress I introduced two legislative initiatives which are now included in this conference report. Senate bill 1336, known as the urban-grant idea, encourages urban education institutions to use their knowledge and resources for the solution of urban problems by forming partnerships with local governments, businesses, school systems and other educational institutions, and nonprofit and civic organizations. This simple concept is designed to foster collaboration within communities to solve severe urban problems.

My bill authorizes partnerships to combat urban problems in at least 50 urban areas—possibly one per State—providing each partnership \$500,000 per year, for projects up to 3 years' duration. For partnerships to help disadvantaged urban students graduate from high school, increase their opportunities for postsecondary education, and improve prospects for productive

employment, this bill provides for at least 30 grants of \$500,000 each year up to 3 years. Institutions receiving these grants will be designated urban grant institutions, reflecting their missions in a manner similar to the successful land-grant college and later, sea grant and space grant universities.

Last year the Senate Appropriations Committee provided \$8 million in first time funding to begin the implementation of the urban grant program. I am pleased we will be able to continue to fund this important program in the years to come through its inclusion in S. 1150.

In addition, I am grateful that the conference committee has acted favorably on s. 463, a bill to increase the representation of community colleges within the Federal Department of Education. The conference report before us today includes a provision for a new position within the Department—a liaison for junior and community colleges. This designee, appointed by the Secretary of Education, must have attained an associate degree from a community or junior college or must have been employed in a community or junior college setting for not less than 5 years. The Liaison will report directly to the Secretary and will serve as principal advisor to the Secretary on matters affecting community and junior colleges and will provide guidance to programs within the Department dealing with functions affecting these institutions.

Again, Mr. President, the Senate Appropriations Committee included language in the fiscal year 1992 Labor, HHS, and Education Appropriations bill calling on the Department to designate such a position. Since community, junior and technical colleges enroll more than 6 million students annually in accredited programs and another 4 million additional students in noncredit, continuing education courses, they now serve the largest sector of the higher education community. The lack of representation in the ranks of the professional and executive positions within the Department will now be remedied through this position. These wonderful institutions deserve no less and I am anxious for the swift implementation of this provision.

There are many other important components of this legislation—many of which I thoroughly support—which require that we move forward as rapidly as possible. I urge final adoption of the conference report.

Mr. WOFFORD. Mr. President, in passing the higher education reauthorization bill, the Senate is taking an important step in adapting our Nation's system of higher education to the realities of the 1990's and the challenges of the next century. This legislation will improve access to education for low and middle-income students who, in recent years, have been squeezed be-

tween spiraling tuition costs and the unavailability of scholarships and student loans. I hope this bill marks the beginning of a new commitment to focusing our resources on investments in our Nation's most precious natural resources—our children.

I am particularly pleased about two elements of the measure. First, this higher education reauthorization includes a provision that will make it easier for middle-income families to send their children to college. This provision—which is based on the very first piece of legislation that I introduced in the Senate, S. 1140—will stop the collision of two American dreams: the dreams of owning a home and the dream of sending children to college. Families who have college-bound children understand too well that they can't get financial aid because of the accumulated equity in their homes. Families who spent years paying off their mortgages should not be penalized for their efforts by our system of financial aid.

The provision I underscore tonight excludes the value of a family's home or farm from the calculation of the parents' assets. It helps struggling middle-class families on limited incomes send their children to college. No longer will college aid be out of reach for children from families whose home is their only major asset. Tonight we send to the President, a bill to protect the American dream, and to make certain that parents seeking to pass on a better and brighter future to their children can do just that. In many respects that is the essence of the American Dream: hope for a better life for our children.

The second element of this bill I want to highlight is our improvement of the Federal Work-Study Program. When Congress created the Work-Study Program almost 30 years ago, it envisioned that many of the college students who received this new form of student financial assistance would give back to their communities through service. Congress called upon colleges and universities to develop opportunities for work-study students to work "in the public interest," providing education, health, recreation, and other services that would not otherwise be available to the community.

Over the past decades, Congress has repeatedly encouraged colleges and universities to incorporate community service into their work-study programs.

A recent GAO report makes clear, however, that only a tiny fraction of youth who receive work-study are engaged in community service. Students—representing a vast resource of skills, talents and energy—who could be performing work of real benefit to the community are all too often left with low-skilled jobs unrelated to either societal needs or students' personal goals.

This conference report changes that and incorporates a number of practical changes designed to restore community service to its intended role as an essential component of any work-study program. Most significantly, it includes a modest and practical mandate—that at least 5 percent of Federal work-study dollars go to students engaged in community service. In addition, the measure makes several improvements in the community service aspects of the Work-Study Program:

Adopting a single broad definition of community service which encompasses both on- and off-campus service, including support services to students with disabilities;

Ensuring that work-study recipients learn about the opportunity to work in community service rather than more typical work-study jobs;

Permitting colleges to devote a higher proportion of work-study funds to locating and developing community service jobs for students;

Increasing the authorized appropriations for work-study and increases the maximum Federal share for typical work-study jobs, which will ensure that institutions will retain the ability to place work-study students in essential on-campus jobs;

As an added incentive, distributing reallocated moneys to colleges and universities that attain a threshold of 10 percent of their work-study dollars going to students engaged in community service.

As the former college president of Bryn Mawr and the State University of New York at Old Westbury, I hope that colleges and universities will rise to the occasion and go far beyond the 5 percent mandate.

In total, this measure will constructively redirect funding to allow thousands of young people to direct their creative energies to the tremendous needs of our Nation—tutoring, mentoring, battling illiteracy, serving the elderly, feeding the hungry, and housing the homeless.

Mr. DODD. Mr. President, I rise to express my strong support for the conference report on the Higher Education Amendments of 1992. First, my compliments to my colleagues on the Education Subcommittee, Senators PELL, KENNEDY, KASSEBAUM, and HATCH for their years of hard work and leadership on this measure.

Mr. President, this bill is, I believe, one of the most important measures that we will pass this Congress. I consider my work on it during these past 2 years as some of the most important, and rewarding, that I have done to move the country forward.

Daily, we hear of the importance of this measure or that measure, of tax breaks, of balanced budget amendments and of a myriad of other things which will, it is claimed, help secure our Nation's future.

But there is little more important to our Nation than securing the future of our children. And that is what this legislation is all about.

America has long prided itself on the strength of its institutions of higher education, which provide first-class education and training to millions of Americans. Our achievements in higher education have strengthened our workforce and economy and provided millions of Americans with the opportunity to improve their standard of living.

However, as we know, these benefits are not achieved without significant cost and, over the last decade with skyrocketing tuitions, the costs of higher education have risen beyond the reach of many American families. The Federal Government plays a key role in ensuring that access to higher education is expanded for all students and families regardless of income, gender or race. And I am pleased that this bill further enhances this critical role.

Most importantly, we expand eligibility for Federal student aid programs—both grants and loans—to more middle-income families. It was clear to me, after several hearings in my State over 1 year ago, that it was unreasonable that a family's equity in their home or farm was used to determine eligibility for student aid and I authored a bill to eliminate the consideration of this factor for many middle-income families. I am pleased that in the conference we were able to go even further than I originally proposed and eliminated the consideration of home and farm equity for all families. This one change alone will increase access to families earning over \$30,000.

In further recognition of the rising costs of education, we changed the law to provide for increased grants to students. Originally, we proposed a Pell grant entitlement to ensure that all students received the maximum grant for which they are eligible. Unfortunately, given the budget situation, we were unable to include that provision in either the House or the Senate bill. In this conference report, however, the Pell grant maximum is increased to \$3,700. I recognize that, with the shortfall in the Pell Program, it is unlikely that maximum grants will reach that level this year; however, our intent is clear and I would urge the Appropriations Committee to look carefully at our proposals.

In addition, loan limits are raised to provide students with resources sufficient to meet the high cost of higher education. Students and parents will be able to borrow more under existing federally subsidized programs. Additionally, all students, no matter what their or their family's income, will be eligible to borrow unsubsidized loans under the existing GSL Program.

We also establish a direct loan pilot program to test this new, exciting idea.

This program is carefully structured to ensure a fair test of this idea and look forward with great anticipation to seeing the results. This provision has been one of the most controversial in this complex measure and, while I am fully supportive of the pilot program, I am pleased that an agreement was reached so that we could pass this measure with full bipartisan support.

Beyond providing students with additional resources, this measure also strengthens the integrity of Federal student aid programs. The heart of this effort is our new part H in title IV, which defines the roles and responsibilities of accrediting bodies, State licensing agencies and the Federal Government in the certification of institutions as eligible to participate in Federal student aid programs.

This measure also recognizes that access is not simply a matter of money for many first generation college students. Too often their opportunities are stifled by poor preparation. In an effort to combat this problem, the higher education bill strengthens Federal programs such as upward bound and talent search to prepare such youth for the college experience. These programs have been operating successfully in my home State of Connecticut to make the dream of college a reality for a new generation of Americans.

The higher education bill also works to enhance efforts for overall educational reform through the expansion of programs to recruit, train, and retain quality teachers in our elementary and secondary schools. The training of teachers has always been a special responsibility of higher education institutions and this measure provides additional Federal support for these critical efforts to educate and train a new generation of qualified teachers. I am pleased that included in this section is a measure I introduced last year establishing the National Board for Professional Teaching Standards.

I fully believe, Mr. President, that with this legislation we are moving in the right direction—providing students with increased resources to pursue higher education, restoring access to middle-income families who were to a great extent cut out of these programs during the early 1980's and enhancing program integrity. This measure renews the Federal Government's strong commitment to quality higher education. In this regard, I urge my colleagues to join me in support of this critical measure.

Mr. RIEGLE. Mr. President, I would like to commend the distinguished chairmen of the committee and subcommittee, Senator KENNEDY and Senator PELL, and the ranking members, Senator HATCH and Senator KASSEBAUM, for their efficient handling of the Higher Education Reauthorization Act. This bill is one of the most important legislative items to come before Con-

gress this year and I would like to add my support for its immediate passage.

The legislation, which authorizes \$23.4 billion for higher education programs, contains many provisions that will improve lower and moderate income students' access to student aid and expand eligibility for grants. In addition, this legislation works to strengthen minority education programs and develop new systems for recruiting and retaining qualified teachers. These components and others are essential in guaranteeing students the opportunity to pursue a postsecondary education.

Another key portion of this legislation allows institutions to take part in a \$500 million demonstration project to determine whether student loans could be made more efficiently if they come directly from the Federal Government. A recent GAO study concluded that by adopting a direct lending method of financing student loans, the Federal Government could save as much as \$4.5 billion over 5 years. I believe that the demonstration project will be a good testing ground for this innovative approach to financing student aid.

I would also like to comment on a provision in this legislation that concerns Federal assistance to Olympic training centers. In a matter of weeks the summer Olympics will be opening in Barcelona. Millions of Americans from around the country will unite in their support of some of our Nation's finest athletes. This legislation includes a provision I offered along with my colleague, Senator LEVIN, that authorizes \$5 million to help student athletes finance their education while training at an Olympic training or education center. Currently, there are three active training centers located in Marquette, MI, Lake Placid, NY and Colorado Springs, CO. A fourth site is planned for San Diego, CA.

In 1989, the U.S. Olympic Committee designated Northern Michigan University in Marquette, Michigan as the site for the Nation's first U.S. Olympic Education Center. The Marquette training center is unique in that it allows athletes to continue their education at Northern Michigan University while training for the Olympics. Currently, students training at the Olympic Education Center pay in-State tuition and their room and board is financed by the State of Michigan. However, due to severe budget cuts, the State is finding it difficult to finance the education of these athletes, who, I might point out, come from many States and not just Michigan.

The importance of helping America's Olympic athletes is without question. This legislation will help students continue their education without sacrificing their opportunity to train for and participate in the Olympic games. These athletes go through rigorous training, often at great personal ex-

pense, to represent our country at the international games. They deserve our support in their effort to further their education.

Mr. DOMENICI. Mr. President, I would like to take a moment to express my thanks to the conferees who worked on the reauthorization of the Higher Education Act of 1965 for all the hard work they put into this bill. It is rare that such a lengthy bill passes in both bodies of Congress so quickly, and I appreciate all the time and effort the members of both the Senate and House Education Committees have dedicated to this important piece of legislation.

I know there were a few contentious issues that needed to be reconciled before an acceptable compromise could be achieved. Specifically, I have some concerns about the direct loan program we have put into place in this bill, which places oversight of a pilot program under the Department of Education. However, I am willing to give the Department of Education and participating colleges and universities the chance to prove that such a program will work to the satisfaction of the Congress.

If this direct loan program works out as intended, it will improve our student loan system, and expand access to middle-income students, which are clearly steps in the right direction. I know the President, Secretary Alexander, and OMB Director Darman worked with the conferees to find an acceptable middle ground on this portion of the bill, and I appreciate their efforts.

I am very pleased with much of what is in the final version of the bill, and I would like to express my gratitude to the conferees for leaving intact the Teacher Corps provision of title V, which the Senate included in its version of the bill. This section of the bill creates a program to provide annual scholarships to meet the educational expenses of prospective teachers. I am happy that this section of the bill allows State agencies to give special consideration to individuals who intend to teach students with disabilities, to those who intend to teach limited-English proficient students, and to students who are from disadvantaged backgrounds or are underrepresented in the teaching profession. These are unique groups, worthy of special consideration.

Because we cannot always find enough good people to teach on Indian reservations in New Mexico—and Senators AKAKA and MURKOWSKI had expressed similar concerns about finding teachers for Native Alaskans and Hawaiians—I am pleased the conferees included my amendment, which was originally a part of my college honors legislation, that would give special consideration to students who express an intent to teach these underserved groups. These are students that have traditionally not received the special

attention they deserve, and I think it's time we encouraged top-quality teachers to teach in these hard-to-reach areas.

We have also included my language to give special consideration to students who intend to teach math or science. When we are consistently bombarded with report after report on how poorly our children are doing in math and science achievement, we need to encourage our top math and science students in our universities to bring their expertise into the classroom where it is obviously sorely need. I am pleased the conferees obviously agree. I would also like to thank Senators AKAKA, MURKOWSKI, COCHRAN, CONRAD, and PRESSLER, who supported my efforts to address this issue with my college honors bill.

Mr. President, as I stated when we passed this bill in the Senate in February, this legislation goes a long way toward restoring the buying power of Federal student loans, and ensuring that financial aid remains accessible to all Americans who require it. The reauthorization of the Higher Education Act reconfirms our commitment to providing educational opportunities to more and more students. It is an investment in our own future.

(At the request of Mr. MITCHELL, the following statement was ordered to be printed in the RECORD.)

• Mr. BRADLEY. Mr. President, about a year and a half ago, I began working on a new option to pay for better education. I called it self-reliance scholarships. The idea was that anyone who needs a better education deserves the opportunity to invest in his or her own future by using the 74-percent higher income that a higher education will bring in order to pay for that education. I am very pleased that after many twists and turns through the legislative process, the conference on the reauthorization of the Higher Education Act will make that opportunity real for many students.

As I began to talk about self-reliance with families and students last year, I found that I was not alone in believing that there is a fundamental connection between education and our sense of optimism or, more recently, our anxiety about the future. Last July, 57 percent of the people in my State of New Jersey said that they thought their children would have a worse life than their own. The cost of higher education is as central to that pessimism as are worries about health care, taxes, or economic competitiveness.

We have before us a bill that could turn that pessimism around. For the first time, we are looking at financial aid from the point of the student and the family, rather than government bureaucrats. There are only two questions that matter when a family is sitting around the kitchen table trying to figure out how to handle college: Will

we be eligible? And, will the repayments on loans be manageable?

To make the answer to those questions "yes," we need a program that: First, everyone is eligible for; second, offers repayment based on income after graduation; and third, uses the power of Government to put funds directly in students' hands, rather than using taxpayer money to induce banks to make loans they would not make otherwise.

This conference report does not quite offer all three of these options to all students, but it goes a long way. It does offer loans to everyone, without the burdensome forms and income formulas that always leave people with less than they need. It does offer repayment as a percentage of income to some number of students, enough to demonstrate that it can work. And it will help us find out whether the Government can handle direct lending and gain the savings that the General Accounting Office predicts. I have no doubt that these programs will succeed and will demonstrate that full-fledged Self-Reliance Scholarship Program would offer all their benefits to all students.

I am also pleased that President Bush has dropped his ill-advised threat to veto this bill. I did not understand how the "Education President" could veto a bill that opens the doors of education to so many people. Not only that, but it resembles a program that he himself proposed, though without details, months after I proposed self-reliance and weeks after both the House and Senate passed this bill. There is clearly some politics going on here, but our colleagues realized that students do not have time to wait through a Presidential campaign tactic before they find out whether they can pay for their fall semester.

This conference report is the end of a long process of reauthorization of an expiring program, but I believe it is the beginning of a shift in the principles by which we help Americans attend college. Next year and the year after, as we see the efficiency and appeal of these programs, I intend to fight to take this all the way. Instead of a mishmash of programs, some at some schools, some at a smaller number of schools, we need a seamless universal system, like self-reliance. It should give every student, at every age, at every school, universal access to loans and the same options for income-contingent repayment. Self-reliance loans can be the next generation of financial aid for students.

To demonstrate the need for self-reliance, let me quote from a letter I received last year, as I began working on this idea. A young woman in New Jersey wrote

When it was time for me to apply to college in the late 1970s, my choice of college was practically unlimited because of the comprehensive Federal financial aid pro-

grams. * * * Today my youngest sister, who is now 18 years old, finds herself in a very different situation. My sister has been forced to apply to colleges based on finances rather than her considerable academic ability. Her choices were severely curtailed by my parents' modest, middle-class income and the fact that she is the last remaining dependent child in their home. Even though my parents are "better off" than in the 1970s, my sister does not even have the same opportunity I had fourteen years ago.

For most of our history, higher education was the experience of very few Americans. World War II changed all that with the passage of the GI bill. With mature veterans filling the ranks, the number of college students nearly doubled. The result was the most talented work force in the world and a new recognition of the value of higher education. State legislatures, alumni, and even the Federal Government began to invest in higher education. By 1970, enrollment doubled again to about 9 million students. A recent study shows that low-income students increased their access to higher education by 41 percent between 1966 and 1977. Families, many without a college graduate in the house, came increasingly to see education's value and to recognize that, without it, life chances diminished.

In the 1980's, college costs increased by 50 percent in real terms while Federal funds for student aid rose by only half that amount. And tightened eligibility took college loans away from 500,000 students in the last decade. That 41-percent access gain for low-income students in the decade ending in 1977 was wiped out by 1987.

The college cost trap hits the 85 percent of Americans who earn less than \$50,000 after they are already bearing the strain of health care costs, energy costs, housing costs, interest rates, stagnant incomes and taxes. Many of those families have not been eligible for financial aid. This bill would make them eligible. Many worry that after graduation they would not be able to pay their loans, or would have to compromise on their career decisions to pay their loans. This bill would allow them to choose a school where repayment would always be affordable.

Universal access and income-contingent repayment harness the value of a college education to get past the hurdle of paying for it. Students' own earning potential, not what their parents happen to earn, would open the door to whatever colleges they were able to get into. Students whose families earned too little to pay a State college tuition would not be turned away. Students whose families might earn a little too much to get aid under current programs would not be turned away. The 28-year-old who has worked for a decade out of high school only to find that escaping a dead-end job requires new skills, and the mother who has raised children and now, at 36 or 40

years for the independence that a college education can bring, would all be eligible.

For the United States to remain the No. 1 economic power in the world, we have to be ready for jobs that involve computers, information, numbers and intense creativity. We have to demand more from students, but we also have to promise more. We should promise that if you work hard, if you have ability, if you believe in yourself, and if you can get into college, you will be able to go. This conference report brings us closer to that promise, and gives me hope that we will soon make that promise real for all.

I commend the conference for its achievement, and in particular I would like to thank Senator KENNEDY for his many years of interest in finding a better way to pay for college, and Senators SIMON and DURENBERGER for their diligent work on this debate all year and for helping us find the principles that we all share.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to. Mr. KENNEDY. 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.

DR. EDWARD ZIGLER'S CONTRIBUTION TO HEAD START

Mr. KENNEDY. Mr. President, nearly three decades ago, Dr. Edward Zigler, professor of psychology at Yale University, created a program designed to help economically disadvantaged children achieve their full potential. As part of the War on Poverty, the program began as a 6 to 8 week summer camp funded at \$96.4 million in 1965. The program was called Project Head Start. It pioneered a unique approach to supporting young children, with a strong emphasis on parental involvement and the delivery of comprehensive, family-centered services. Years later this community-based, one-stop-shopping program has become a hallmark for effective Federal action.

From its modest beginning, Head Start has steadily expanded over the years, and it will soon reach 700,000 children and families. Throughout this growth, Dr. Zigler has remained steadfast in his determination that program quality must not be compromised by increased enrollment with inadequate resources. He has been a brilliant advisor to Congress, and a persistent conscience for the program—affirming again and again that we cannot do more with less. Our children and families deserve better.

Dr. Zigler reaffirmed these fundamental views in an eloquent op-ed piece in the New York Times last weekend. He calls on Congress and the administration to put our resources

where our rhetoric is—in Head Start. He reminds us that praise for the Head Start Program alone will not allow children to begin school ready to learn, or provide low-income families with the support they need to seek self-sufficiency. If we are to bring Head Start to all eligible children, who are currently waiting, we need to act.

I hope that Members will heed Dr. Zigler's advice, and I ask unanimous consent that his op-ed article may be printed in the RECORD.

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

[From the New York Times, June 27, 1992]

HEAD START FALLS BEHIND

(By Edward Zigler)

NEW HAVEN, CT.—The head Start program is not controversial these days. Everybody loves it. Republicans and Democrats extol its merits. President Bush was photographed at a Maryland Head Start center announcing his proposal to increase funding by \$600 million. Yet this highly publicized love amounts to no more than public whispers of sweet nothings. When political push came to budgetary shove, Head Start lost.

In negotiations between Congress and the Administration, \$250 million that would have let centers for 220,000 children stay open this summer was dropped from the emergency urban aid bill passed last week. Instead, 95 percent of the centers have closed until fall, and inner city preschoolers have lost a safe, familiar place to play and grow away from hot apartments and violent streets.

This is a familiar story. This year's Head Start budget is \$2 billion below the financing level set in the 1990 Head Start Reauthorization Act. And President Bush's proposed \$600 million increase for next year falls \$3 billion short of the schedule set in 1990.

Head Start has earned its good reputation. Government research shows that its graduates are less likely than their peers to be held back a grade or to need special education services. The program may even reduce criminality: I oversaw a review of juvenile delinquency programs (American Psychologist magazine will publish the findings this year) that indicated that early childhood programs like Head Start are more effective in steering children away from juvenile crime than are traditional preventive efforts like homes for delinquent children or parent counseling.

Despite its performance, the program is still threatened. Quality began to slip in the 1970's because of rapid inflation. In many locations, full-year programs shrank to 10 months, then to eight, even six, months. Teacher training was reduced, salaries did not grow and staff turnover reached unacceptable levels. It is not surprising that teachers leave Head Start: 47 percent will make less than \$10,000 this year.

Head Start family support services are crucial to combat increased drugs and violence, yet in 1990 caseloads for social service coordinators were almost double the recommended level in seven out of 10 programs. The Administration's concern with the number of eligible 3- to 5-year-olds served (now 30 percent), rather than the quality of care received, has diluted Head Start's success formula.

Since Head Start began in 1965, 11 million low-income children have passed through its doors. They have received free health

screenings and nutritious meals, and have learned how to play in groups. Their parents have participated as volunteers; one-third gained employment through Head Start. Yet during the same 27 years 50 million children who qualified for Head Start were left out.

We can offer poor children more than sweet nothings. Congress can make sure that at least a \$1 billion increase for Head Start is part of the second urban initiative it is planning. Congress and the President can support Senator Edward Kennedy's School Readiness Act, which guarantees money to enroll every eligible child in Head Start by 1997 and sets aside adequate funds for improving the quality of care. And we can apply Head Start to more years of a child's life, from birth through the early elementary grades. Every low-income child could benefit from a longer, stronger dose of the Head Start formula.

YELTSIN NEEDS US—WE NEED YELTSIN

Mr. HATCH. Mr. President, several weeks ago former President Richard Nixon met with Boris Yeltsin to discuss internal developments in the former Soviet Union. Upon return from his trip to Russia, President Nixon wrote an extremely interesting editorial for the New York Times. In the article, President Nixon observes that President Yeltsin is promoting democratic reform in Russia and urges our expedient assistance through the Freedom Support Act. President Nixon suggests that the United States has vital interests at stake in Russia's democratic reform movement.

Mr. President, this op ed, which I submit for the RECORD, clearly explains the importance of a comprehensive multilateral effort that will help President Yeltsin push the reform process along in Russia. I hope my colleagues will take the time to read this article.

The article follows:

[From the New York Times, June 12, 1992]

YELTSIN NEEDS US—WE NEED YELTSIN

(By Richard Nixon)

PARK RIDGE, N.J.—President Boris Yeltsin of Russia will come to the summit meeting in Washington on June 16 and 17 not looking for a handout but to join hands in a new partnership based on shared democratic values. The U.S. must seize this opportunity not only because of our ideals but also because of our interest in peace and progress.

Those who question President Yeltsin's commitment to democracy and free-market reforms and urge the West to keep Russia at arm's length make a tragic mistake.

In my meeting with him a week ago, President Yeltsin exuded enthusiastic and unequivocal commitment to free elections, free markets and free peoples. He has the magnetic power of a major charismatic figure and has assembled a first-rate team of policy experts. Most important, because those who oppose his reforms have no leader and no program, there is no better alternative.

President Yeltsin has dramatically demonstrated his commitment to reform through deeds and words. He showed not only personal courage in facing down the card-carrying killers in the August coup but also political courage by adopting painful but necessary economic reforms such as freeing

prices. He has slashed defense spending, offered dramatic nuclear arms reductions, cut off aid to anti-U.S. regimes such as Cuba and Afghanistan, accepted the independence of other republics of the former Soviet Union and established full diplomatic relations with them.

President Yeltsin is the most pro-Western Russian leader in history. Therefore, the U.S. should lead the West in forging a partnership for economic development with the new Russia. The biggest roadblock to such a partnership is the obstructionism in the Russian Parliament, which President Yeltsin inherited from Mikhail Gorbachev and is dominated by old-line Communists who took office without competitive elections.

President Yeltsin made it clear to me that he is determined to implement his reforms. He will try to do so through the existing Parliament; if that fails, he will impose them by decree or dissolve Parliament and hold elections for a parliament that has a mandate for reform.

In the meantime, Congress should stop its foot-dragging and pass President Bush's Freedom Support Act, which provides for America's contribution to \$24 billion in Western aid. Congress' approval of International Monetary Fund assistance will create an incentive for the Parliament to approve the Yeltsin reforms. If we link our aid to passage of those reforms, we will give President Yeltsin greater leverage in his battle.

One indispensable reform is to make the ruble fully convertible. As the architect of economic reform, First Deputy Prime Minister Yegor T. Gaidar, has argued, without a free-floating ruble at a fairly stable exchange rate, trade will be stymied and foreign companies will not want to invest in Russia.

While the International Monetary Fund must prescribe strong medicine, it should not be so strong that it kills the patient. I.M.F. prescriptions assume a market economy already exists, but in Russia such institutions are only embryonic. President Yeltsin will not backslide, but we must be realistic about the economic austerity the Russians can bear without triggering social unrest that will abort reform.

A high priority must be placed on debt relief. Russia's economy is straining under the burden of repaying loans Western banks and governments recklessly made to President Gorbachev's Communist regime. If we do not reschedule the \$81 billion debt, new aid will be recycled into Western banks without strengthening Russia's economy. It would be unconscionable to ask the U.S. taxpayer to bail out bankers who made bad loans to the former Soviet Government.

But foreign aid is only a small part of the solution. Our primary goal should be to unleash the American private sector's potential investment in Russia's emerging private sector. Because every Western country is going into or coming out of recession, government-to-government assistance will be severely limited by budgets. But private-sector investment will be limited only by opportunity.

Western aid should focus on developing Russia's private sector; it must not be used to prop up failed state-owned enterprises. It should be used for technical assistance to guide Russia in creating property, tax and commercial law conducive to the growth of a free market. We should also channel funds into loans to new small businesses, which will not only hire unemployed workers but also begin the essential accumulation of domestic capital.

President Yeltsin is committed to establishing the kind of legal framework and economic environment for private enterprise found in the West. Dwayne Andreas, chairman of Archer Daniels Midland, the agricultural exporter, estimates that when President Yeltsin achieves that goal, Western companies will commit themselves to investments of \$100 billion in the first 18 month period, \$200 billion in the second such period and \$400 billion in the third.

The major advantage of private rather than government assistance is that private assistance brings the management expertise, training and new technology needed for the transition from a command to a free-market economy.

A new American-Russian partnership is not charity. Forty-five years ago, the U.S. adopted the Marshall Plan to insure the survival of freedom in Western Europe. By doing so, we gained allies in the cold war and trading partners who fueled our postwar prosperity with purchases of American products.

Those same interests, peace and progress, are at stake today. If President Yeltsin's reforms succeed, we will save tens of billions of dollars in defense spending and create hundreds of thousands of new jobs to supply Russia with the new capital and consumer goods it will require.

If the reforms fail, a new despotism will take power in Russia, threatening its neighbors, sending our peace dividend down the tube and providing aid and comfort to totalitarian rulers in China and elsewhere.

President Yeltsin has shown extraordinary political skill in trying to bring about his reforms. Despite Russia's severe economic hardship, his popularity remains extraordinarily high. By telling the Russian people that conditions would be hard and get harder, he has held their confidence; by embracing Western values, he has given them hope and inspiration.

For 75 years, the Soviet state imposed sacrifices on the people in order to provide a better life for the Communist elite. Today, the Russian President is calling for sacrifice to build a better future for all families and Russia. He can succeed because he has given the people a cause they can believe in.

Many in America's foreign policy establishment underestimated President Yeltsin because they preferred the more sophisticated President Gorbachev. Some portrayed President Yeltsin as an uneducated boob. President Gorbachev's reforms made President Yeltsin possible. But President Yeltsin holds President Gorbachev's place in history in his hands. If President Yeltsin fails, President Gorbachev fails with him.

Both were born peasants. President Gorbachev became a man of the world. President Yeltsin remained a man of the people. President Gorbachev, preoccupied with foreign policy, lost touch with the people. President Yeltsin has revolutionized Russia. Unlike President Gorbachev, he has repudiated Communism and Socialism. If he keeps placing top priority on his problems at home, he can become a statesman who will change the world.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. 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.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. FORD. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nomination: Calendar 674.

I further ask unanimous consent that the Senate proceed to its immediate consideration; that the nominee be confirmed; that any statements appear in the RECORD as if read; that the motion to reconsider be laid upon the table; 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 nomination considered and confirmed is as follows:

IN THE AIR FORCE

The following-named officer for reappointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. Thomas J. McInerney, xxxx-xx-xxxx
U.S. Air Force.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

AMENDING ENGROSSMENT OF
SENATE JOINT RESOLUTION 281

Mr. FORD. Mr. President, I ask unanimous consent that in the engrossment of Senate Joint Resolution 281, the title be amended to read as follows:

An act designating the week beginning September 14, 1992 and ending on September 20, 1992 as "National Rural Telecommunications Services Week."

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

EXTENSION OF AGREEMENT BETWEEN
THE UNITED STATES
AND INDONESIA ON PEACEFUL
USES OF NUCLEAR POWER—
MESSAGE FROM THE PRESIDENT—
PM-256

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 Foreign Relations:

To the Congress of the United States:

I am pleased to transmit to the Congress, pursuant to sections 123 b. and 123 d. of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2153(b), (d)), the text of an exchange of diplomatic notes between the United States and Indonesia dated August 23, 1991, constituting an agreement to extend for 10 years

the Agreement for Cooperation Between the United States of America and the Republic of Indonesia Concerning Peaceful Uses of Nuclear Energy signed at Washington, June 30, 1980. I am also pleased to transmit my written approval, authorization, and determination concerning the extension and a memorandum by the Director of the United States Arms Control and Disarmament Agency including a Nuclear Proliferation Assessment Statement. The joint memorandum submitted to me by the Secretary of State and the Secretary of Energy, which also includes other agency views, is also enclosed.

The proposed extension of the agreement for cooperation with the Republic of Indonesia has been negotiated in accordance with the Atomic Energy Act of 1954, as amended by the Nuclear Non-Proliferation Act of 1978 and as otherwise amended. In my judgment, the proposed extension meets all statutory requirements and will advance the non-proliferation and other foreign policy interests of the United States. It provides for the agreement to remain in force for an additional period of 10 years. In all other respects, the text of the agreement remains the same as that reviewed favorably by the congress in 1980/1981.

Indonesia is a party to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and is fully in compliance with its nuclear non-proliferation commitments under that Treaty.

I have considered the views and recommendations of the interested agencies in reviewing the proposed extension and have determined that continued performance of the agreement for cooperation will promote, and will not constitute an unreasonable risk to, the common defense and security. Accordingly, I approved the agreement on extension and authorized its execution. I urge that the Congress give it favorable consideration.

This transmission shall constitute a submittal for purposes of both sections 123 b. and 123 d. of the Atomic Energy Act. The Administration is prepared to begin immediately consultations with the Senate Foreign Relations and House Foreign Affairs Committees as provided in section 123 b. Upon completion of the 30-day continuous session period provided for in section 123 b., the 60-day continuous session period provided for in section 123 d. shall commence.

GEORGE BUSH.

THE WHITE HOUSE, June 30, 1992.

MESSAGES FROM THE HOUSE

ENROLLED JOINT RESOLUTION SIGNED

At 12:01 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolution:

H.J. Res. 459. Joint resolution designating the week beginning July 25, 1992, as "Lyme Disease Awareness Week."

At 6:38 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has agreed to the following concurrent resolutions, each without amendment:

S. Con. Res. 102. A concurrent resolution to provide for a Joint Congressional Committee on Inaugural Ceremonies; and

S. Con. Res. 103. A concurrent resolution authorizing the rotunda of the United States Capitol to be used on January 30, 1993, in connection with the proceedings and ceremonies for the inauguration of the President-elect and the Vice President-elect of the United States.

The message also announced that the House agrees to the amendments of the Senate numbered 1, 2, and 3 to the bill (H.R. 2032) to amend the act of May 15, 1965, authorizing the Secretary of the Interior to designate the Nez Perce National Historical Park in the State of Idaho, and for other purposes; and that the House agrees to the amendment of the Senate numbered 4 to the said bill, with an amendment, in which it requests the concurrence of the Senate.

The message further announced that pursuant to the provisions of Senate Concurrent Resolution 102, 102d Congress, the Speaker appoints to the Joint Congressional Committee on Inaugural Ceremonies the following Members on the part of the House: Mr. FOLEY, Mr. GEPHARDT, and Mr. MICHEL.

The message also announced that the House has agreed to the amendment of the Senate to the bill (H.R. 429) to amend certain Federal reclamation laws to improve enforcement of acreage limitations, and for other purposes, with an amendment; it insists upon its amendment to the amendment of the Senate to the bill, asks a conference with the Senate on the disagreeing votes of the two Houses, and appoints the following as managers of the conference on the part of the House:

From the Committee on Interior and Insular Affairs, for consideration of titles I and VII-XXXIX of the House amendment, and titles I and VII-XXXVIII of the Senate amendment, and modifications committed to conference: Mr. MILLER of California, Mr. RAHALL, Mr. GEJDENSON, Mr. VENTO, Mr. KOSTMAYER, Mr. DE LUGO, Mr. LEHMAN of California, Mr. MARKEY, Mr. HANSEN, Mr. RHODES, Mr. THOMAS of Wyoming, Mr. YOUNG of Alaska, and Mr. MARLENEE.

From the Committee on Interior and Insular Affairs, for consideration of titles II-VI of the House amendment, and titles II-VI of the Senate amendment, and modifications committed to conference: Mr. MILLER of California, Mr. RAHALL, Mr. GEJDENSON, Mr. VENTO, Mr. KOSTMAYER, Mr. DE LUGO, Mr. LEHMAN of California, Mr. OWENS of Utah, Mr. HANSEN, Mr. RHODES, Mr. THOMAS of Wyoming, Mr. YOUNG of Alaska, and Mr. MARLENEE.

As additional conferees from the Committee on Merchant Marine and Fisheries, for consideration of titles II-VI, IX, XXX, and XXXIV of the House amendment, and titles II-VI, IX, XXXIII, XXXIV, XXXVI, and XXXVIII of the Senate amendment, and modifications committed to conference: Mr. JONES of North Carolina, Mr. STUDDS, Mr. HUGHES, Mr. HERTEL, Mr. CARPER, Mr. MANTON, Mrs. LOWEY of New York, Mrs. UNSOELD, Mr. DAVIS, Mr. FIELDS, Mr. HERGER, Mr. DOOLITTLE, and Mr. CUNNINGHAM.

As additional conferees from the Committee on Merchant Marine and Fisheries, for consideration of titles I, VII, XI, and XVIII-XX of the House amendment, and titles I, VII, XI, XII, XIV, XV, XIX, and XX of the Senate amendment, and modifications committed to conference: Mr. JONES of North Carolina, Mr. STUDDS, and Mr. DAVIS.

As additional conferees from the Committee on Public Works and Transportation, for consideration of section 3411 of the House amendment, and titles XXI, XXXI, and XXXVIII and sections 3001-3004, 3007, 3508, and 3509 of the Senate amendment, and modifications committed to conference: Mr. ROE, Mr. ANDERSON, Mr. MINETA, Mr. NOWAK, Mr. BORSKI, Mr. KOLTER, Mr. VALENTINE, Mr. HAYES of Louisiana, Mr. HAMMERSCHMIDT, Mr. SHUSTER, Mr. CLINGER, Mr. PETRI and Mr. PACKARD.

As additional conferees from the Committee on Public Works and Transportation, for consideration of title VII of the House amendment, and title VII and section 3404(c)(7) of the Senate amendment, and modifications committed to conference: Mr. ROE, Mr. NOWAK, and Mr. HAMMERSCHMIDT.

As additional conferees from the Committee on Agriculture, for consideration of title XXV and section 212 of the House amendment, and section 212 of the Senate amendment, and modifications committed to conference: Mr. DE LA GARZA, Mr. ENGLISH, Mr. DOOLEY, Mr. CONDIT, Mr. HUCKABY, Mr. STENHOLM, Mr. STALLINGS, Mr. CAMPBELL of Colorado, Mr. COLEMAN of Missouri, Mr. MORRISON of Washington, Mr. HERGER, Mr. SMITH of Oregon, and Mr. MARLENEE.

As additional conferees from the Committee on Agriculture, for consideration of titles XIX and XX and sections 301, 305, 308, and 2302 of the House amendment, and titles XIII, XIV, XVIII, and XXXVI and section 202 of the Senate amendment, and modifications committed to conference: Mr. DE LA GARZA, Mr. VOLKMER, and Mr. COLEMAN of Missouri.

The message further announced that the House disagrees to the amendment of the Senate to the bill (H.R. 5260) to extend the emergency unemployment compensation program, to revise the trigger provisions contained in the extended unemployment compensation

program, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints the following as managers of the conference on the part of the House:

From the Committee on Ways and Means, for consideration of the House bill, and the Senate amendment, and modifications committed to conference: Mr. ROSTENKOWSKI, Mr. FORD of Tennessee, Mr. DOWNEY, Mrs. KENNELLY, Mr. ANDREWS of Texas, Mr. ARCHER, Mr. VANDER JAGT, and Mr. SHAW.

From the Committee on Energy and Commerce, for consideration of section 105 of the House bill, and section 104 of the Senate amendment, and modifications committed to conference: Mr. DINGELL, Mr. SWIFT, Mr. ECKART, Mr. SLATTERY, Mr. SIKORSKI, Mr. LENT, Mr. RITTER, and Mr. RINALDO.

From the Committee on Government Operations, for consideration of title VI of the House bill, and modifications committed to conference: Mr. CONYERS, Mrs. BOXER, Mr. LANTOS, Mr. WISE, Mr. SYNAR, Mr. HORTON, Mr. KYL, and Mr. CLINGER.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3516. A communication from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Consolidated Farm and Rural Development Act to deny farm operating loans to applicants delinquent in repaying other loans, and to authorize the Secretary of Agriculture to (1) limit the periods of eligibility for insured or guaranteed farm operating loans, and (2) limit to 7 years the period for which farm operating loans may be rescheduled; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3517. A communication from the Chief of the Programs and Legislation Division, Office of Legislative Liaison, Department of the Air Force, transmitting, pursuant to law, notice that the performance of the C-17 Full Scale Development contract will continue for a period exceeding ten years; to the Committee on Armed Services.

EC-3518. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on H.R. 5132, the Dire Emergency Supplemental Appropriations, Fiscal Year 1992; to the Committee on the Budget.

EC-3519. A communication from the Commissioner of the Bureau of Reclamation, Department of the Interior, transmitting, pursuant to law, a report stating that it is necessary to construct modifications to Steinaker Dam, Vernal Unit, Central Utah Project, Utah, in order to preserve its structural safety; to the Committee on Energy and Natural Resources.

EC-3520. A communication from the Secretary of Energy, transmitting, for the information of the Senate, his reasons for submitting legislation to allow the sale of two hy-

droelectric units in Alaska; to the Committee on Energy and Natural Resources.

EC-3521. A communication from the Secretary of Energy, transmitting a draft of proposed legislation to authorize the Department of Energy to sell the Eklutna and Snettisham Projects administered by the Alaska Power Administration, and for other purposes, along with reports on each of the plants; to the Committee on Energy and Natural Resources.

EC-3522. A communication from the Secretary of the Interior, transmitting, for the information of the Senate, notice of a delay in the submission of a report on Federal and State expenditures that can be identified for the conservation of endangered and threatened species; to the Committee on Environment and Public Works.

EC-3523. A communication from the Director of the Office of Management and Budget, Executive Office of the President and the Secretary of the Treasury, transmitting a draft of proposed legislation to amend the Federal Claims Collection Act of 1966, as amended by the Debt Collection Act of 1982; to amend the Deficit Reduction Act of 1984; and for other purposes; to the Committee on Governmental Affairs.

EC-3524. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-232 adopted by the Council on June 23, 1992; to the Committee on Governmental Affairs.

EC-3525. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-233 adopted by the Council on June 23, 1992; to the Committee on Governmental Affairs.

EC-3526. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-234 adopted by the Council on June 23, 1992; to the Committee on Governmental Affairs.

EC-3527. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report on the Indian Health Care Amendments for fiscal year 1989; to the Select Committee on Indian Affairs.

EC-3528. A communication from the Counsel of the National Tropical Botanical Garden, transmitting, pursuant to law, the annual audit report of the National Tropical Botanical Garden for calendar year 1991; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FORD, from the Committee on Rules and Administration, with an amendment in the nature of a substitute and an amendment to the title:

S. 523. A bill to authorize the establishment of the National African-American Memorial Museum within the Smithsonian Institution (Rept. No. 102-306).

S. 1598. A bill to authorize the Board of Regents of the Smithsonian Institution to acquire land for watershed protection at the Smithsonian Environmental Research Center, and for other purposes (Rept. No. 102-307).

By Mr. FORD, from the Committee on Rules and Administration, without amendment:

S. 2910. An original bill to authorize appropriations for the American Folklife Center

for fiscal years, 1993, 1994, 1995, 1996, and 1997 (Rept. No. 102-308).

By Mr. GLENN, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

H.R. 2850. A bill to make technical and conforming changes in title 5, United States Code, and the Federal Employees Pay Comparability Act of 1990, and for other purposes.

By Mr. GLENN, from the Committee on Governmental Affairs, without amendment:

S. 1298. A bill to designate the facility of the United States Postal Service located on Highway 64 East in Hiddenite, North Carolina, as the "Zora Leah S. Thomas Post Office".

S. 2253. A bill to designate the building located at 20 South Montgomery in Trenton, New Jersey, as the "Arthur J. Holland United States Post Office Building."

S. 2834. A bill to designate the United States Post Office Building located at 100 Main Street, Millsboro, Delaware, as the "John J. Williams Post Office Building".

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. BENTSEN (for himself, Mr. DANFORTH, Mr. BINGAMAN, and Mr. KERREY):

S. 2909. A bill to amend the Tariff Act of 1930 to establish an Office of Trade and Technology Competitiveness in the International Trade Commission; to the Committee on Finance.

By Mr. FORD from the Committee on Rules and Administration:

S. 2910. An original bill to authorize appropriations for the American Folklife Center for fiscal years, 1993, 1994, 1995, 1996, and 1997; placed on the calendar.

By Mr. WARNER (for himself, Mr. COATS, Mr. NUNN, Mr. WALLOP, and Mr. BINGAMAN):

S. 2911. A bill to require the Secretary of Defense to establish an Office of Technology Transition to facilitate the transition of technological advancements resulting from national security research and development activities to nondefense commercial applications in the private sector of the United States; to the Committee on Armed Services.

By Mr. PRESSLER:

S. 2912. A bill to designate the United States Post Office Building located at 555 15th Street, Northwest in Huron, South Dakota as the "Gladys Pyle Post Office Building" to the Committee on Governmental Affairs.

By Mr. CHAFEE (for himself, Mr. PELL, and Mr. CRANSTON):

S. 2913. A bill to prohibit the manufacture, importation, exportation, sale, purchase, transfer, receipt, possession, or transportation of handguns and handgun ammunition, with certain exceptions; to the Committee on the Judiciary.

By Mr. DURENBERGER (for himself, Mr. ROCKEFELLER, and Mr. PACKWOOD):

S. 2914. A bill to direct the Secretary of Health and Human Services to make separate payment for interpretations of electrocardiograms; to the Committee on Finance.

By Mr. THURMOND (for himself and Mr. HATCH) (by request):

S. 2915. A bill to reauthorize the Office of Justice Programs, the Bureau of Justice As-

sistance, the Bureau of Justice Statistics, the National Institute of Justice, the Office of Juvenile Justice and Delinquency Prevention, and for other purposes; to the Committee on the Judiciary.

By Mr. D'AMATO:

S. 2916. A bill to amend chapter 11 of title 38, United States Code, to provide that veterans who are former prisoners of war shall be deemed to have a service-connected disability rated as total for the purposes of determining the benefits due to such veterans; to the Committee on Veterans' Affairs.

By Mr. COCHRAN:

S. 2917. A bill to amend the National School Lunch Act to authorize the Secretary of Agriculture to provide financial and other assistance to the University of Mississippi, in cooperation with the University of Southern Mississippi, to establish and maintain a food service management institute, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BENTSEN (for himself, Mr. DANFORTH, Mr. BINGAMAN, and Mr. KERREY):

S. 2909. A bill to amend the Tariff Act of 1930 to establish an Office of Trade and Technology Competitiveness in the International Trade Commission; to the Committee on Finance.

TRADE AND TECHNOLOGY COMPETITIVENESS ACT

Mr. BENTSEN. Mr. President, right now, somewhere in the halls of Japan's Ministry of International Trade and Industry [MITI], there is an office hard at work on the next century. Every 10 years or so, MITI brings together a distinguished panel of business leaders, academics, scientists, labor leaders, and the press to map out the country's economic strategy for the coming decade. They identify the key technologies that the country needs to develop and the industries they need to promote in order to ensure that Japan's economy will maintain its competitive edge. And they take stock of where their industries are and where they need to be to achieve those goals. The fruits of these efforts are called visions and are meant to set priorities and economic goals for the next decade.

I am not suggesting, Mr. President, that we must mimic Japan. But I am deeply troubled that the U.S. Government lacks even the most basic information about how our technology base stacks up against our competitors, and how our industries are doing in this extremely competitive global environment.

The Japanese have been examining their economy, in microscopic detail, for more than 30 years—identifying the technologies that are critical to their industries and then putting in place the policies necessary to promote them. In the United States, it took us 30 years of divisive debate to get to that first step—to get to the point where our Government and our industries were comfortable with the idea of

simply identifying so-called critical technologies.

Finally, I believe we have reached a general consensus on what those critical technologies are for the American economy. In the past couple of years, we have seen lists from all quarters—from the private sector, from the Commerce Department, from the Defense Department, from a special panel that we in the Congress set up just to identify these critical technologies.

These lists are remarkably similar. They point to high performance computers, ceramics, software, data storage technology, high definition displays, microelectronics, molecular biology, and a range of other technologies as the necessary building blocks for the future competitiveness of our industries.

We do not need any more lists. We need to move to phase II: We need to take a hard look at our strengths and weaknesses, and we need to understand where—and why—our competitors are beating us.

I sure do not want to see the United States take another 30 years to get to that point. We have already paid a very high price for our indecision. While we were debating whether it was a good idea even to identify those critical technologies, some of our most important industries migrated offshore.

Just take a look at the electronics industry. A recent report by the private sector Council on Competitiveness identified seven electronic components technologies, including memory chips, liquid crystal displays, and printed circuit board technology, as technologies in which the United States—and I quote—"is losing badly or has lost." These losses are felt throughout our economy because these technologies are crucial building blocks for many other industries.

The bad news does not stop there. That same report identified eight other key technologies in which the United States is losing badly, and another 18 technologies where we are weak. These conclusions do not give us much comfort. I was particularly troubled by one conclusion reached by the Council on Competitiveness: namely, that many of the United States losses are in areas where concentrated foreign efforts, including a variety of trade and investment policies, have hurt the competitiveness of this country.

It is time to do something to stop the erosion of our industrial base. If we look back at the 1970's, approximately 24 percent of our GNP was generated by industrial production. Today it is less than 20 percent. Therefore, I rise today, Mr. President, to introduce a bill that will move us to phase II and help us get back into the game.

Mr. President, I am introducing today the Trade and Technology Competitiveness Act of 1992. Its goal is to establish within the U.S. Government

the permanent capability to analyze and monitor the performance of our critical technology industries relative to our chief global competition.

This bill is intended to be a remedial step. Frankly, Mr. President, we should have developed this capability a long time ago.

The bill sets up in the International Trade Commission [ITC] a new Office of Trade and Technology Competitiveness. That office will have the primary responsibility in the Government for monitoring our progress in critical technologies and taking stock of where we are relative to other countries—letting us know who is winning and who is losing this high stakes game.

The Office will take as its starting point the list of critical technologies developed by the National Critical Technologies Panel, a list that the Congress mandated back in 1989. Every 2 years, the panel identifies the product and process technologies that the United States must develop to promote our long-term national security and economic prosperity. That list has been characterized as one of the most exhaustive lists of critical technologies and includes all of the ones I mentioned earlier.

As a first step, our bill will require the ITC to look at each technology on that list and summarize all of the studies that compare how our performance in each of the critical technologies stacks up against our competitors. This is valuable information that our manufacturers can feed into their strategic planning.

Next, the bill requires the ITC to go a step further. The bill directs the ITC to report annually to the Congress on the competitive position of the United States in each of those critical technologies. We want to know how much progress has been made, or, alternatively, how much has not been made. Where we have made progress, we want to understand why and how that progress has come about. Where we have fallen behind, we want to understand what factors contributed to our setback. And where our competitors have taken us to the cleaners, we want to know how they have gotten there.

Then, the ITC will be required to project how each of our critical technology industries will perform over the next 10 years, taking into account where we are, where our competitors are, and any expected changes in the tax, trade, and investment policies of the United States or of our competitors.

Mr. President, this bill grows out of a recommendation made earlier this year by the Competitiveness Policy Council, a bipartisan group of experts set up by the Congress in the 1988 Trade Act, which I sponsored. The Council recommended that an agency be designated to raise the Nation's awareness of our competitiveness problems by

giving it a higher profile, assess the course of key American industries, and monitor the activities of foreign governments in these same technology fields.

I am pleased to have Senators DANFORTH, BINGAMAN, and KERREY join me as cosponsors of this legislation. Senator DANFORTH has been one of the most thoughtful participants in the competitiveness debate. His insights and understanding of the underpinnings of global competitiveness have helped shape this country's response. In 1990, Senator DANFORTH recognized the need for more information on the global competitiveness of our advanced technology manufacturing industries. At his urging, the Finance Committee launched a series of investigations by the ITC, which has now completed investigations on three sectors and is conducting studies on three more. This bill is a natural extension of those activities. And Senator BINGAMAN has long been recognized as a leader in the competitiveness debate, shaping the agenda and keeping our eyes trained on how our industries are faring in global competition. Every citizen of this country is indebted to Senator BINGAMAN for pushing us and pulling us toward a greater understanding of all the elements—education, training, research and development, capital formation, trade, and tax policies—that determine how our industries stack up against their competitors.

Senators DANFORTH, BINGAMAN, KERREY and I have taken it upon ourselves to act on the Council's recommendation by introducing this bill. We need to move on to phase II. We need to advance the debate as to how to maintain our competitive strengths and how to eliminate our weaknesses. We can only do that if we have a basic understanding of where we are and how we got here. This bill launches that debate. Ultimately, I hope that we will learn how we can rebuild our industrial base, because that will determine whether or not we can compete in the 21st century.

Mr. DANFORTH. Mr. President, I am pleased to join Senator BENTSEN, Senator BINGAMAN, and Senator KERREY in introducing legislation to provide for an annual assessment of the competitiveness of U.S. critical technology industries.

Our economic competitiveness is eroding slowly but steadily. Average real wages are lower today than 20 years ago. Our trade deficits over the last decade totaled \$1 trillion. Our national savings rate is less than half of that of Japan. It has become the conventional wisdom that we need to do more to promote the competitiveness of key U.S. industries. And, while we can all agree on the general problem, the consensus seems to break down when we get to possible solutions. Instead of approaching the question in a

comprehensive fashion, we seem to get bogged down in a series of unrelated, sector-specific debates, focusing on HDTV one year, semiconductors the next, and then aerospace.

Earlier this year, the Competitiveness Policy Council, a Federal advisory committee created by the 1988 Trade Act, issued its first annual report. In that report, the Council called for the establishment of a comprehensive competitiveness strategy. As one key element of that strategy, the Council recommended that we designate an agency in the Federal Government to monitor and assess the relative competitiveness of key U.S. industries, as well as the activities of foreign governments and firms in those same sectors.

The legislation we are introducing today—the Trade and Technology Competitiveness Act of 1992—is designed to implement this recommendation. It will establish a new Office of Trade and Technology Competitiveness within the International Trade Commission. This Office will be responsible for monitoring and assessing the long-term performance of U.S. critical technology industries relative to those of our trading partners. The Office will also monitor the activities of foreign governments and firms with respect to the development and exploitation of critical technologies. Finally, the bill requires the ITC to submit to Congress an annual report analyzing the international competitive positions of the United States and key competitor nations in each critical technology.

Mr. President, this legislation is a natural extension of several prior congressional initiatives. It builds on the work of the Finance Committee over the last 2 years to develop a long-term capacity within the ITC to provide the Congress with impartial and detailed information on the competitiveness of advanced technology manufacturing industries in the United States. At the Finance Committee's request, the ITC identified a list of key industries to examine and then began a series of 1-year studies of several of these industries. This legislation would expand that effort to cover the list of critical technologies identified by the National Critical Technologies Panel in its biennial report to the President.

I see the annual competitiveness assessment as akin to the National Trade Estimates report released each year by the U.S. Trade Representative. The NTE report, which we established in the 1984 Trade Act, has been an essential component in the U.S. effort to develop a coherent strategy against foreign trade barriers. Similarly, the report mandated by this legislation is meant to be a broad-based source of information on which to base future policy decisions. It is designed to provide a comprehensive look at what we are doing—and not doing—to maintain our competitive position relative to our

trading partners. The report will enable us to get away from our fragmented approach to this critical question and will provide a benchmark for U.S. action aimed at promoting competitiveness in key industries.

Some may view this legislation as a means to pursue industrial policies like those of our key trading partners. It is not. It is intended to provide a comprehensive and objective analysis of our competitiveness in critical technologies—those technologies that are essential to the long-term national security and economic prosperity of the United States. We already authorize many such studies, but on an ad hoc basis. This legislation would allow the ITC to pursue a more coherent and comprehensive analysis, free from industry-specific pressures. Moreover, by placing responsibility for this effort at the ITC—an independent, bipartisan agency—we can insulate this process from partisan political pressures as well.

Mr. President, the Trade and Technology Competitiveness Act of 1992 is an important first step toward addressing our competitiveness problem. I commend Senator BENTSEN for his leadership and am pleased to join with him in this effort. It is my hope that this legislation will be the beginning of a new bipartisan effort to strengthen the competitiveness of U.S. industry and the U.S. economy.

Mr. BINGAMAN. Mr. President, I am pleased to join Senators BENTSEN, KERREY, and DANFORTH in introducing the Trade and Technology Competitiveness Act of 1992. This bill, if enacted, will be another step in the process toward rational understanding of where this country stands technologically in relation to our economic competitors and determining what we as a government should do about it. The passing of the cold war and the consequent increased importance of economic affairs make the substance of this bill all the more vital to the economic future of this country.

At the outset, it is important to state what this bill would not do. This bill does not mandate the compilation of another list of technologies deemed important to a particular agency or industry sector. A number of such lists have been compiled for specific purposes. However, there is now a general agreement on the broad economic importance of the technologies contained in the National Critical Technologies List prepared by the National Critical Technologies panel.

This bill takes the next step beyond the act of compiling a list of critical technologies—that is, to determine where the United States national critical technologies stand vis-a-vis our main international competitor nations. The International Trade Commission, an independent agency of the U.S. Government, will be authorized to mon-

itor, on an ongoing basis, the development of critical technologies in the United States and other countries. This agency will provide hard data as well as impartial analysis and projections.

With this new information, the Government can begin to make rational choices about where to focus the country's efforts and where to spend the country's resources. The resulting information is necessary to shape education priorities, research and development spending, tax politics, and capital availability strategies. In other words, this bill is an addition to the Government's toolkit of means to foster an environment of increased U.S. industrial competitiveness. It is vital, however, that the Government actively use this new information, this new tool, rather than letting it lie idle. Our economic future and that of our children and grandchildren depends on the active involvement and cooperation of the national Government in strengthening our national economic position in the world.

This bill is one additional, important element in a broader strategy for reviving and expanding American industrial and technological competitiveness. Navigators exploring the seas in the time of Columbus used the stars and constellations to guide them in unfamiliar waters. Like the explorers and navigators of old, we have identified the critical technology lodestars, now we must chart our course for the future.

I encourage my colleagues to support this important legislation.

By Mr. WARNER (for himself, Mr. COATS, Mr. NUNN, Mr. WALLOP, and Mr. BINGAMAN):

S. 2911. A bill to require the Secretary of Defense to establish an Office of Technology Transition to facilitate the transition of technological advancements resulting from national security research and development activities to nondefense commercial applications in the private sector of the United States; to the Committee on Armed Services.

DEPARTMENT OF DEFENSE OFFICE OF
TECHNOLOGY TRANSITION

• Mr. WARNER. Mr. President, I rise today to introduce legislation which I believe will raise the level of the technological base of our private industrial sector and make us more competitive in world markets at virtually no additional cost to the Government.

This legislation establishes an Office of Technology Transition within the Department of Defense to facilitate the transition of DOD-developed technology into the private sector.

The Department of Defense has recognized the importance of maintaining technological superiority and has structured its new acquisition policies to emphasize science and technology—

research and development—over procurement.

At the same time we are increasing our emphasis on research and technology in our defense establishment, we are facing increasingly competitive world markets where technological advantages in engineering, manufacturing and product development are critical to economic competitiveness and growth. Indeed, the economic well-being of our Nation rests to a great degree on our ability to develop new technologies and integrate these technologies into the marketplace.

As I have watched the development of these kinds of technologies, it has become apparent that many of them have great potential for application in the private sector. In fact, many of the technological advances made as a result of DOD research have already found their way into the private sector.

As the Deputy Secretary of Defense, Mr. Atwood, recently testified in a hearing before the Armed Services Committee:

"... many defense technologies also have commercial applications. To expedite that potential, we are encouraging industry to pursue the commercial application of those dual-use technologies developed for use in military weapons."

I believe we can and should do a much better job of transitioning the technologies we develop through defense research efforts to our private commercial sector. We should make an intense and determined effort to apply these technological advances to raise the level of technology in the industrial base of our private sector—producing better products for the people of our Nation and improving our competitiveness in world markets.

Therefore, Mr. President, I am introducing today the Technology Transition Act, which will direct the Secretary of Defense to create within the Office of the Secretary of Defense the Office of Technology Transition, whose role will be to facilitate the transition of technologies developed through DOD research programs into the private sector.

I envision that this Office will consist of no more than 6 to 20 people working under the Director of Defense Research and Engineering, and operating with points of contact established through DOD's research and development community.

One of the primary functions of the Office of Technology Transition will be to raise the levels of awareness and interest in the commercialization of DOD-developed technologies by the private sector. The Director of this Office must become the advocate for moving DOD-developed technology into the private sector. The Office formed under this act will assist firms in the private sector in overcoming problems with DOD security and technology transfer restrictions, proprietary rights and

other problems associated with the transition of appropriate technologies.

I anticipate that this Office may also surface problems which require legislative solutions and I expect and encourage the Department to coordinate with the Congress so that we can assist in resolving those problems.

I should point out, Mr. President, that the administration clearly recognizes the value to the private sector of commercializing Government-developed technology. The White House recently announced the elimination of recoupment fees that Government contractors were required to pay when technologies developed under Government contracts were sold by the contractors to other parties. This move by the administration will help preserve the competitiveness of U.S. defense contractors and help other firms in the private sector as well.

Mr. President, I have noted that some technologies developed by DOD have already found their way into the private sector—but I believe we can do better. The taxpayers of this Nation pay for the research and development efforts in the Department of Defense. While they are clearly getting their money's worth as far as a technologically advanced military is concerned, we also have a responsibility to ensure that appropriate technologies are transitioned to the private sector. The establishment of the Office of Technology Transition will help accomplish this mission.

This legislation provides that the Secretary of Defense will establish and staff this new office within the resources currently provided to the Department of Defense. I am confident that the Secretary of Defense will recognize the importance of this initiative, and I hope that the reports required by this legislation, which will describe the progress and accomplishments of the Office of Technology Transition, will be made public so that the American people will be aware of the additional benefits accrued by the dollars spent on defense research.

Mr. President, there have been legislative initiatives in the past addressing these types of issues, but no prior legislative initiative established an office with the specific mission of facilitating the transition of DOD-developed technology to the private sector.

I believe the only way to ensure that the transition of this technology takes place is to establish an entity and staff it with good, enthusiastic people whose mission every day is focused principally on the transition of DOD-developed technology to the private sector.

The legislation which I am introducing today focuses only on research and development funded through the Department of Defense. I consider this as a first step—a pilot project. As this program develops, I will introduce legislation to direct the establishment of

similar Offices of Technology Transition in other agencies of the Federal Government, such as the Department of Energy, NASA, the National Institutes of Health and other departments and agencies engaged in research and development activities.

Mr. President, one might ask why I have chosen the term "technology transition" as opposed to "technology transfer." The term "technology transfer" has been closely associated with the movement of U.S.-developed technology to foreign countries. The term "transition" is intended to apply to the sharing of Federal Government-developed technology with State and local governments and the private sector. It is important to distinguish between these two situations. In consulting Webster's dictionary, I extracted the following definitions: Transfer—to move from one place or position to another. Transition—a development that forms part of an ordered progression.

I believe that "transition" more closely resembles what we are trying to accomplish.

Mr. President, in the conduct of research on this legislation, I learned of a number of technologies developed through DOD programs which have potential as well as demonstrated application to the private sector. Several of these specific technologies have been developed through the SDI program, and I request unanimous consent that several of these summaries be included for the RECORD.

Mr. President, I thank you and my colleagues and am confident that this legislation will have the full support of this body.

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

OPTICAL PROCESSING: A TECHNOLOGY IN TRANSITION

Optical processing is a maturing technology that has extensive application to the processing of information in realtime. Military applications are being demonstrated that are difficult for the most sophisticated digital processing systems known or envisioned. Optical processing for the military application provides a technology for multi-object, multivariant target recognition and multitarget tracking. Optical architectures are under development that implement the large scale parallelism need to simulate neural networks, the working model for brain functioning. These processing systems take advantage of the extreme low power consumption of an optical processor operation and the high degree of integration achievable with optical interconnects and communication, resulting in very compact systems. The computational complexity of optical processors exceeds those achievable in electronic cases by several orders of magnitude—ideal for artificial intelligent systems, robotic and machine vision. Large information data base handling such as fingerprinting and DNA classification are possible with optical processing multilayered systems, which are configured from the single layer systems. This technology is ready for transition and commercial applications.

The current state-of-the-art in optical processing is such that certain computing functions can be performed at 1,000's of times faster than the digital systems. Optical technology that can perform greater than 10^{12} operations per second is nearing a stage of maturity that would make it attractive for commercial uses. By integrating optical processors with digital processors in a fashion to take advantage of the peculiar strengths of each, extremely powerful systems of considerable commercial value could be produced. Realtime processing becomes possible for such things as sorting and routing of mail, recognition of counterfeit bills and checks in routine bank and business transactions, and speech pattern recognitions. Optical systems could be the heart of new computer systems that can do calculations and process data at much higher rates than is currently available to the scientific and large volume data handling communities. A specific example would be the application of optical signal/data processing to the massive amount of data that will be generated by the Earth Observation (EM) satellite system to be deployed in the near future.

Prototypes have been built and demonstrated that can operate in the industrial/commercial environment where quality/process control requires high speed inspection. The application in product manufacturing will reduce cost, increase efficiency and reduce waste/scrap. The present technology base is available for large scale commercial exploitation of these powerful systems.

COMMERCIAL APPLICATIONS OF DIAMOND FILMS

It is well known that diamond is the hardest substance known. Less well known is diamond's other unusual properties. Diamond is highly resistant to chemical attack, has a very low coefficient of friction, is transparent to x-rays, visible, and ultraviolet radiation and conducts heat better than any other known substance. These unusual properties make diamond ideal for use in harsh environments.

General Electric first prepared artificial diamonds by heating graphite at high temperature and pressure. However, commercial use of this ultra high temperature-pressure diamond process is limited.

The Strategic Defense Initiative through the SBIR program, has supported the development of economical low temperature/pressure processes for coating a variety of materials with diamond films. These alternative methods of diamond coating promise the introduction of diamond to a wide variety of commercial applications that take advantage of its unique characteristics.

Wear resistant optical devices such as laser windows, lenses, mirrors, fiber optics and even sun glasses; heat sinks that allow tightly packed electronic devices to run faster and hotter in computers; temperature resistant sensors and semiconductors for jet engines and automotive electronics; wear resistant coatings for magnetic tape recorder heads and data storage disks; reinforcing fibers for advanced composites in aircraft skins; teeth, bones and other prosthetic devices and engine components are but a few of the many applications that are ready for exploitation.

SDIO SPIN-OFF TECHNOLOGY UNDER COMMERCIAL DEVELOPMENT

During the last several years the Strategic Defense Initiative Office (SDIO) and the U.S. Army Strategic Defense Command (USASDC) have been involved in the development of sophisticated, miniature, rugged

spectrally agile imaging sensors for missile interceptors used in strategic missions. These activities have been pursued under Phase I and Phase II SBIR (Small Business Innovation Research) contracts developing tunable lasers, tunable optical modulators, and tunable detection and imaging devices. These SBIR programs provide technology development funding to small businesses with highly innovative concepts that have significant commercial potential. This sophisticated SDIO technology has numerous commercial applications which include clinical diagnostics and prognostics, flow cytometry, portable analytical spectrometers, and on-line sensors for chemical analysis in industrial process control. Coordinated by the USASDC personnel, joint ventures are being formulated that include multiple SBIR contractors, major industry, State matching funds, and private funds. Some applications actively pursued by these ventures include the development of three products that exploit this SDIO spin-off technology:

Fluorescence Microscopy and Flow Cytometry

Flow cytometry is a clinical instrument used in the diagnostic, prognostic, and monitoring of cancer and other diseases such as AIDS and/or HIV infection. The insertion of the SDIO technologies offer higher resolution of the data in the diagnostic, prognostic, and monitoring process. Flow cytometry sorts populations of cells into different groups thereby typing, staging, and monitoring the disease in question. The upgraded flow cytometer would allow these diseases to be exploited in the normal blood work provided today by the pathologist.

Optical Sensors for On-Line Chemical Analyses and Process Control

The industrial process control sensor market is, at present, primarily comprised of devices that measure flow, fluid level, pressure, temperature, and viscosity. An important change taking place in this market is an increasing trend to incorporate analytical measurement techniques (traditionally performed off-line in the laboratory) into on-line process monitoring and control systems. Industries which will benefit the most from these innovations and which are fueling the growth of the analytical sensor market segment are the chemical, pharmaceutical, pulp and paper, food and beverage, petrochemical and biomedical sectors. This market opportunity created by an unfilled need for rugged, sensitive, spectrally-agile sensor to reliably and rapidly monitor the presence of specific organic compounds in complex process mixtures, are being addressed by this SDIO technology commercialization effort.

Portable Spectrometers for In-situ Environmental Testing

Existing monitoring technology relies typically on expensive, labor intensive, discrete methods that introduce uncertainty in the sampling and handling procedures. Often there is a long delay between sample collection and communication of results caused by the inability of conventional methods to provide in-situ real-time monitoring. There is a market opportunity for light, rugged, simple-to-use, portable analytical instruments to measure specific pollutants or classes of pollutants. The SDIO technology transfer into these markets includes monitoring ground water contamination from hazardous waste sites and underground storage tanks, monitoring effluents from waste treatment plants and industrial waste water, rapid on-site identification of oil spills, monitoring crop protection chemicals, and food safety inspection.

MEDICAL APPLICATION OF ADVANCED MATERIALS TECHNOLOGY: CARDIAC PACEMAKER ELECTRODES

The ion beam surface texturing work performed by Spire Corporation under the U.S. Army Strategic Defense Command Advanced Optical Materials Program has been applied to the surface of pacemaker electrodes. The Spire process (SPI-TEXT) creates micron sized structures that greatly increase the electrode-human tissue contact area and encourage tissue growth around the electrode. Pacemaker battery life is increased by 300%. Animal studies have been successfully completed. The first human implant has been made and the unit is working as designed. No complications have developed. The innovation increases battery life to 15-18 years using existing battery technology. Given the advancements projected for battery development over the next few years, this electrode technology could easily result in a non-nuclear solution to the problem of a permanent pacemaker implant. The patient thus avoids the pain, expense, and risk of cardiac arrest associated with battery replacement.

Completion of human studies and transition of the technology to general availability will have a major positive impact for heart patients who require pacemakers. Most (60 to 80 percent) pacemaker patients are in the 30 to 50 year age group and have arrhythmia without other complications. Such patients now receive an "activity based" pacemaker. Following pacemaker implant under the right clavicle and threading of leads through the chest muscle wall to the heart, life expectancy reverts to that for similar individuals with no heart disease. The "activity based" unit adjusts the heart rate to match the body demand level and allows participation in all activities normal for that individual's age group. However, there is a price associated with the use of the "activity based" pacemaker—the battery will fail within 5 to 6 years due to the increased load. With widespread use of the new technology, this problem can be significantly reduced, or eliminated.

The dramatic success of the cardiac pacemaker electrode has encouraged further exploration of the medical potential of the process. Experiments in neurostimulator, orthopaedic, implanted defibrillator, and dental applications have been initiated.

The above technology transition to civilian medical application is of particular significance in that it represents a direct benefit to the physical well-being of a large number of individuals. Spire Corporation's recognition of the potential for this type of advance is typical of the overall innovative spirit and capability they have demonstrated throughout their work on the advanced optical baffles program.

LASER COMMUNICATIONS TECHNOLOGY

Laser communications technology is a rapidly evolving and maturing technology that has extensive application to strategic defense missions, as well as the commercial communications industry. Recent research sponsored by the SDIO has demonstrated in a laboratory environment that approximately 50 times the current radio frequency communications capability can be achieved by using laser communications. These satellites are capable of both digital and video information transmission. The laser transmitters/receivers can be achieved at less than half the size/weight and by using less than half the power of current radio frequency systems.

The prime reason for increased attention to laser systems is the rapid evolution of

solid state laser diodes which can be used as laser transmitters. This technology development has made laser satellite communications technology an attractive alternative to radio frequency systems for the communications industry.

COMMERCIAL APPLICATIONS OF SUPERCONDUCTIVITY

Due to its unique electrical properties, high temperature superconductors will have major impacts on future electronic applications. These unique properties include very low electrical resistance and the quantum mechanical tunneling which result in electronic devices with the following properties: Low loss-low noise, high speed-wide signal bandwidth, quantum-limited electromagnetic detection, low power dissipation. However, the very short coherence lengths reported for the high temperature superconducting materials present severe obstacles to the fabrication of high quality Josephson Junctions required for mixers and detectors, and for logic and memory functions.

The U.S. Army Strategic Defense Command, through its program with the University of Cambridge, has supported the development of the electronic beam technique for the production of Josephson Junctions. This technique is fast, convenient, simple, low cost, and controllable. This fabrication technique will introduce high temperature superconducting electronics to a wide variety of commercial applications.

Quantum-limited high frequency detectors, mixers and amplifiers high speed logic and memory devices and circuits, signals transmission lines, and other high frequency components are some of the components that have potential for transition to commercial application.

• Mr. COATS. Mr. President, the bill which Senator WARNER and I are offering today I believe will allow us to direct the critical developments made in defense technology to commercial applications.

We continue to hear about the problems that the United States has in competing overseas in new technological fields. This bill would help provide an opportunity to address this problem—and at virtually no additional cost to the Government.

This legislation would create an office of technology transition as a part of the Defense Department to advance the transfer of military technology to the private sector as appropriate. Some of this obviously is already occurring. But I believe that a coordinated effort under the direction of the Secretary of Defense could have an enormous impact and benefit to the Nation. The technology identified for commercial application could have the same revolutionary impact in the civilian sector as it has had in providing our military the best, most innovative weapons systems in the world.

I believe the possible spin-off applications could be overwhelming. In this day of greater competition for overseas markets, we need to be doing everything we can to encourage not only the development of new technology but the application, the manufacturing, and the marketing of the technology for commercial application.

The Defense Department could play a critical role in a very essential part of this process—identifying key technologies already developed which could have a potential commercial use and facilitating the transition of this technology to the private sector.

This legislation will direct the Secretary of Defense to establish the Office of Technology Transition within the Office of the Secretary of Defense to become the chief advocate for ensuring this important technology transition occurs. I believe that this can succeed at relatively low cost—simply by ensuring that a dedicated team of perhaps less than 10 individuals are assigned this responsibility as their primary focus.

This office would take on the job of making the private sector aware of certain technological innovations developed through defense R&D projects. They would then serve to assist companies through the various regulations and restrictions associated with the technology transfer.

Mr. President, it is time to take full advantage of the creativity and energy of Americans whose ingenuity has given the Department of Defense some extraordinary technological breakthroughs and of the tax dollars which have gone into the development of these programs. By establishing an office to advocate and oversee moving such technology to the private sector, Americans will gain enormous benefit.

As Senator WARNER has said, this will be a pilot program in the Department of Defense. However, the potential to identify technologies being developed for other agencies such as NASA and Department of Energy is great. We will look in the future at establishing similar offices in these agencies where their technology can have an impact on the private sector.

Our extraordinary accomplishments in the military are well known. It is time to find ways to achieve practical, commercial uses from these technological innovations. I call on the rest of this body to support this legislation to provide a significant beginning to an all-out effort to focus on making effective use of technology to the greater benefit of the American people.

By Mr. PRESSLER:

S. 2912. A bill to designate the U.S. Post Office Building located at 555 North 15th Street, Northwest in Huron, SD, as the "Gladys Pyle Post Office Building"; to the Committee on Governmental Affairs.

GLADYS PYLE POST OFFICE BUILDING

Mr. PRESSLER. Mr. President, today I am introducing legislation that pays tribute to an outstanding South Dakotan—the first Republican woman elected to the U.S. Senate. Gladys Pyle was a compassionate public servant, progressive leader, effective teacher, and successful businesswoman. She

served the State of South Dakota in many capacities. She was a pioneer and a South Dakota heroine. She attained many milestones in her 98 years. She never forgot her roots and always put the needs of others before her own.

The legislation I am introducing today will establish a lasting tribute to Gladys Pyle in the community where she was born, grew up, attended college, taught school, ran a business, and died in 1989. This legislation designates the new U.S. Postal Service Regional Mail Processing Center, located at 555 15th Street, Northwest, in Huron, SD, as the Gladys Pyle Post Office Building."

Gladys Pyle opened many doors for women in South Dakota and, indeed, our Nation. She served in the South Dakota House of Representatives, was secretary of state of South Dakota, headed the Republican ticket for Governor, and in 1936 was elected to the U.S. Senate. She also had significant accomplishments in the business world. She paved the way for many of the women who currently hold public office and who lead in the world of business.

Gladys Pyle was born in Huron on October 4, 1890. She attended public schools and graduated from Huron College in 1911. For the next 6 years she was employed as a teacher in public high schools in Miller, Wessington, and Huron, SD. Pyle served in the South Dakota House of Representatives from 1923 to 1927. Throughout her tenure there, she fought for ratification of the proposed constitutional amendment to prohibit child labor. She was secretary of state of South Dakota from 1927 to 1931, and from 1931 to 1933, she was a member of South Dakota's securities commission. In 1933, she started a new career in the life insurance business.

A long-time Republican, Pyle made her bid to become South Dakota's first woman Governor while she was secretary of state, basing her campaign on a call for reform of the State banking department. In a five-person primary contest, she received a plurality of votes—over 28 percent of the total cast. South Dakota law, however, specifies that if a primary winner does not receive 35 percent of the vote, the nomination shall be decided by a State party convention. Pyle received the most votes on several early ballots at the subsequent convention, but, ironically, Warren Green, the contestant with the fewest votes in the primary, eventually received the GOP nomination and was elected Governor in the general election.

In 1938, Republican Party officials persuaded Pyle to enter an unusual special election for the remaining 2 months of the late Peter Norbeck's term, extending from the November general election to the January opening of the next Congress. Democrat Herbert Hitchcock, Norbeck's appointed successor, had left Washington

when the Senate adjourned on November 8, to enter the regular senatorial race. Republicans, meanwhile, were afraid that President Roosevelt would call a special post-election session of Congress; Pyle argued that a Republican should represent South Dakota in such a session. She won the special election, while Chan Gurney won the general election for the 6-year Senate term beginning in January 1939.

Pyle remained active for many years in the insurance business, farm management, and politics. In 1940, she was a delegate to the Republican National Convention. From 1943 to 1957, she served on the South Dakota Board of Charities and Corrections, and she was long active with the Red Cross and Salvation Army.

Senator Pyle received many humanitarian and civic awards, including the Beta Sigma Phi First Lady of the Year in 1952; Huron College Alumni Association Distinguished Service Award in 1956; Huron College honorary degree, and doctor of laws in 1958; Huron's Chamber of Commerce Citizen of the Year Award in 1964; Beta Sigma Phi Order of the Rose in 1970; American Association of University Women National Fellowship established in her honor in 1972; South Dakota Press Association Distinguished Service Award; and the State Business and Professional Women Bicentennial Award in 1976.

Senator Pyle had the respect of Democrats and Republicans alike. She was one of the great South Dakotans, and I am pleased to honor her today by introducing this bill to name a Federal building after her.

I ask unanimous consent that a resolution of the city of Huron, SD, as well as the text of my bill, appear in the RECORD.

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

S. 2912

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

The United States Post Office Building located at 555 15th Street, Northwest in Huron, South Dakota is designated as the "Gladys Pyle Post Office Building".

SEC. 2. LEGAL REFERENCES.

Any reference in any law, regulation, document, record, map, or other paper of the United States to the post office building referred to in section 1 is deemed to be a reference to the "Gladys Pyle Post Office Building".

"RESOLUTION NO. 24-92

"Whereas, Gladys Pyle, 1890-1989, was a native Huronian; and

"Whereas, she was the first woman elected to the South Dakota Legislature, the first woman elected as South Dakota Secretary of State and a candidate for Governor of South Dakota; and

"Whereas, Gladys Pyle was the first woman elected as a United States Senator in 1938; and

"Whereas, Gladys Pyle received the Distinguished Service Award, South Dakota Press Association, 1976; Bi-centennial Woman, South Dakota Business and Professional Women; portrait hung in State Capitol in Pierre and other numerous honors from state and national organizations throughout her life; and

"Whereas, throughout her life, she gave endlessly of her time, energy and knowledge to many civic and community organizations for the betterment of the community, state and country;

"Now, therefore, be it resolved that the Board of City Commissioners of the City of Huron hereby requests that the U.S. Postal Service Regional Mail Processing Center located in Huron, South Dakota be named in honor of Gladys Pyle whose long and exemplary career was an inspiration to all those who knew her.

By Mr. CHAFEE (for himself, Mr. PELL, and Mr. CRANSTON):

S. 2913. A bill to prohibit the manufacture, importation, exportation, sale, purchase, transfer, receipt, possession, or transportation of handguns and handgun ammunition, with certain exceptions; to the Committee on the Judiciary.

PUBLIC HEALTH AND SAFETY ACT

Mr. SMITH. Mr. President, there is no Senator in this Chamber who is a better friend or a more diligent advocate than the Senator from Rhode Island, Mr. CHAFEE. It is therefore with deep regret that I rise in opposition to his legislation, introduced today, to impose a Federal ban on handgun ownership.

Unfortunately, this legislation is predicated on the old notion that gun control, rather than crime control, is the solution to the problem of crime on the Nation's streets.

If anyone is under the misconception that gun bans curb crime, he should take a look at the District of Columbia. Here is a jurisdiction which bans automatics, semiautomatics, new handguns, chemical mace, and martial arts weapons of virtually all types. Yet, since 1976, when most of these bans were put into place, crime in the District has continued to soar exponentially.

Because roughly 80 percent of all illegally used firearms are acquired illegally, this bill would do little to curb the incidence of crime and violence on America's streets. Even if the Chafee bill were successful in effectuating the seizure of all 60,000,000 handguns currently in private hands—something which would be neither achievable, desirable, nor constitutional—thefts of police weapons, such as the guns which have regularly been disappearing from D.C. police storerooms, would insure that criminals were armed, even if ordinary law-abiding citizens were not. Mr. President, I ask unanimous consent that the article in the Washington Post about the theft of D.C. police weapons be inserted at this point in the RECORD:

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

SEIZED WEAPONS STOLEN FROM DC POLICE

(By Gabriel Escobar and Brian Moor)

About 40 weapons that were due to be destroyed have been stolen from the D.C. police department's property vault, including one gun that turned up again during an arrest last week in Northwest Washington, D.C. police said.

The theft, which officials classified as an extremely serious security breach and "an inside job," has prompted an internal investigation and cast a shadow on a division responsible for securing thousands of weapons, drugs and other items seized annually by police.

"I don't know that you can get more serious than this," said Assistant Police Chief Max J. Krupo, who as head of the technical services bureau oversees the property division. "I'm not sure it's at all different from a bank president heading south with a couple of million dollars."

"Someone is going to jail over this. Big time," he said.

The property division's vault includes thousands of weapons that are or were part of criminal investigations. The department seizes about 3,000 weapons annually, officials said.

The weapons that are missing had been released by the U.S. attorney's office and were destined to be melted at a facility in Baltimore. Krupo said they had been catalogued last year and were stored in boxes, all kept in a section of a vault at the department's Southeast Washington facility.

The problem came to light May 29, a day after members of the department's Rapid Deployment Unit confiscated a .45-caliber handgun during a routine arrest. As with all weapons recovered, the gun's serial number was checked against a computer record kept by the department.

The initial check revealed that the gun had been processed by the department, and a more thorough search using firearm identification records showed it should have been in the property division, a police official said.

Later that day, the internal affairs division was notified and an investigation began. Krupo declined to say how many officers and civilian employees have access to the vault. Seven of the weapons have been recovered, police said last night, but officials did not release any more details because the matter is under investigation.

The theft apparently is limited to the cache of weapons that had been cleared for destruction and does not involve other guns in the division or any of hundreds of items that are stored there, officials said.

When setting aside weapons cleared for destruction, property division officials take an inventory and prepare a separate sheet that includes all serial numbers. Before they are sent to Baltimore, the guns are matched to the serial numbers on the sheet.

Krupo said that safeguard makes it likely that the thefts were limited to the shipment currently in the vault.

The suspect who was carrying the stolen gun, Jerry Darnel Simpson Wells, 29, of the District, has been questioned by internal affairs officers, who are trying to find out how he got it, one source said. Another senior official said the department will transfer an unspecified number of employees out of the property division today, pending the outcome of the investigation.

Access to the vault also has been restricted, and no fewer than three people are allowed inside at a time. Before the theft was discovered, Krupo said, regulations allowed individuals who worked in that section to enter the vault alone.

The discovery of the thefts was a carefully guarded secret, in part because officials immediately knew that a member or members of the department were involved. Chief Isaac Fulwood Jr. was described by other officials as angry and anguished over the thefts.

Mr. SMITH. Mr. President, this reality is illustrated even more clearly the fact that virtually every jurisdiction which has enacted handgun bans, waiting periods for firearm purchases, or other forms of gun control has witnessed an increase in violent crime substantially exceeding the national average.

For example, Indiana, California, Minnesota, New York, and Connecticut all have waiting periods. California now has a semiautomatic ban. New York City has among the most draconian gun control ordinances in the country. For the period between 1967 and 1989, these States all witnessed homicide increases exceeding the national average.

In Indiana, homicide rates rose 70 percent.

In California, rates increased 82 percent.

Minnesota rates were up 56 percent. In Connecticut, the increase was 146 percent.

And in New York—gun control Nirvana—the homicide rate increase was 131 percent.

Now, Mr. President, consider the homicide rates, over the same time period, in states with NO waiting periods and little or no gun control:

In Alaska, homicide rates were down 16 percent.

In Nevada, rates declined 24 percent. Delaware homicide rates dropped 35 percent.

Vermont homicide rates plummeted 39 percent.

And, in Idaho, homicide rates were down 40 percent.

Violent crime statistics tell the same story. States with waiting periods, gun bans, and other forms of gun control have experienced vast increases in violent crime when compared to States without stringent gun control:

In New Jersey, the violent crime rate rose a whopping 223 percent between 1967 and 1989.

In Massachusetts, the rate was up an incredible 429 percent.

And, in Connecticut, the rate of violent crime soared an astronomical 434 percent.

In progun states, over the same period of time, violent crime climbed at a considerably less precipitous rate:

In Virginia, the violent crime rate was up 63 percent.

In West Virginia, the rate increased 51 percent.

And in Montana, the rate of violent crime rose at a rate of 38 percent.

I am not happy with the rates of violent crime in any of these States, but the fact is, the average rate increases in Virginia, West Virginia and Montana, three non-waiting period States, was 51 percent. The average increase in New Jersey, Massachusetts, and Connecticut, the three waiting period States with extensive gun control, was 362 percent. In other words, the rate of increase in violent crime in these three gun control States was over seven times that of the three States with lenient gun laws.

FBI crime statistics point out that a majority of crime occurs in jurisdictions with waiting periods or gun permit systems in place. In fact, these gun control jurisdictions account for two-thirds of U.S. homicides and three-quarters of U.S. violent crime.

According to FBI Supplementary Homicide Reports, the average rate of domestic homicide in cities with waiting periods is 2½ times the average rate of domestic homicide rate in the cities without waiting periods.

Do the people of America want:
a 97 percent increase in homicide rates?

a sevenfold increase in violent crime rates?

a 2½-time increase in domestic homicide?

I don't think so. The American people want to decrease the incidence of homicide and slow the growth of violent crime and domestic crime.

Ironically, the Washington interest groups pushing these dubious gun control solutions such as the Chafee bill are, in some cases, the same people who, a decade ago, were blaming society for the incidence of crime in our country. Congressional liberals who, throughout the decade of the 1970's, were proposing the legalization of marijuana use and the reduction of penalties for violent crime, are not running for political cover. And unfortunately, their targets are not violent felons, but rather peaceful law-abiding gunowners.

The American people are far ahead of Congress on this issue. They realize that violent crime is both a serious problem and an avoidable one. They realize it is criminals—not society and not gunowners—who are responsible for crime. Furthermore, they realize that the only way to reduce crime on our Nation's streets is to take those criminals off the streets. Unless Congress begins to punish the criminals, rather than the American people—I am convinced that the people will find leaders who will.

Mr. President, the Chafee bill will take us backward, rather than forward. For this reason, I will fight to insure that it never sees the light of day.

Mr. SYMMS. Mr. President, I rise in opposition to the gun control bill introduced today by the Senator from Rhode Island [Mr. CHAFEE] because this

proposal would rewrite the second amendment to the Constitution. I do this with regret because of my admiration for the Senator—but I must because I oppose both his premise and his solution.

The rationale behind Senator CHAFEE'S bill is the tired old notion that, by restricting gun ownership, we could reduce the number of instances of gun-related deaths. All of the evidence contradicts this idea.

Two leading academic scholars on the subject, James D. Wright of Tulane University and Gary Kleck of Florida State University, have demonstrated that restrictive gun control laws will have no impact on the levels or amount of violence we are experiencing in the United States. For example, New Hampshire, which has no gun control, has 1.9 homicides per hundred thousand residents. On the other hand, the District of Columbia, which has almost total gun control, has 77.8 homicides per hundred thousand residents. This is but one example, but it makes the obvious point that gun control does not equal fewer gun-related deaths.

The fact is there is ample evidence that gun control causes crime. FBI crime statistics point out that a majority of crime occurs in jurisdictions with waiting periods or gun permit systems in place. In fact, these gun control jurisdictions account for two-thirds of U.S. homicides and three-quarters of U.S. violent crimes.

Indiana, California, Minnesota, New York, and Connecticut all have waiting periods. California bans semi-automatics. New York bans virtually all guns. Yet, for the period between 1967 and 1989, these States all witnessed homicide increases exceeding the national average.

In Indiana, homicide rates rose 70 percent.

In California, rates increased 82 percent.

Minnesota rates were up 56 percent.

And, in New York, the homicide rate increase was 131 percent.

On the other hand, homicide rates over the same period, in States with little gun control and no waiting period, declined.

In Alaska, homicide rates were down 16 percent.

In Nevada, rates declined 24 percent.

Delaware homicide rates dropped 35 percent.

Vermont homicide rates plummeted 39 percent.

And in Idaho, homicide rates were down 40 percent.

These statistics clearly show that gun control does not equal fewer gun related deaths.

In fact, only about 10 percent of violent crimes committed in our Nation each year involve handguns. This points to the true nature of the problem. The incredible crime problem in this country is not a result of a break-

down in other fundamental aspects of society as a whole. The problem is with the inadequate education system, with the decline in the family's foundation. There are the prominent issues which deserve our immediate attention.

A second argument for gun control suggests that gun control legislation would reduce health care costs. This is also unfounded. The estimated cost of treating gunshot wounds represents less than 1 percent of the Nation's medical expenditures. Therefore, implementing gun control legislation would only reduce that 1 percent of the total cost, even if it were effective, which it is not.

Most legislation regarding the restriction of firearms usually fails to affect those people it targets. Instead, it affects those it aims to protect. People who use guns to commit murder are not going to register them, or even attempt to work within the framework of the law. They acquire weapons illegally. This leaves honest citizens at a disadvantage because, working within the system, waiting the designated amount of time, or not owning a firearm at all, they are defenseless against those who do not. Thomas Jefferson said it best when he quoted Cesare Beccaria as saying:

Laws that forbid the carrying of arms . . . disarm only those who are neither inclined nor determined to commit crimes. . . Such laws make things worse for the assaulted and better for the assailants; they serve rather to encourage than to prevent homicides, for an unarmed man may be attacked with greater confidence than an armed man.

Banning the importation, export, manufacture, sale, purchase, transfer, receipt, possession, or transportation of handguns would not eliminate handguns. In fact, it would create a situation similar to that in the District of Columbia, the Nation's murder capital.

The right to keep and bear arms remains a constitutional right guaranteed by the second amendment, rendering the Chafee bill sadly unconstitutional. The second amendment clearly states that "the right of the people to keep and bear arms, shall not be infringed."

George Mason said, "To disarm the people is the best and most effectual way to enslave them." The U.S. Government is a government of the people, by the people, and for the people. The Chafee bill makes a mockery of that principle. Therefore, I will vigorously oppose it.

Mr. President, I ask unanimous consent to insert the Harry Summers article from the Washington Times in the RECORD, as follows:

[From the Washington Times, June 4, 1992]

LIMITING GUNS AND ARMS

(By Harry Summers)

If nothing else, the riots in Los Angeles last month pointed up one of the inherent

fallacies put forth by advocates of gun control—the failure to take basic human instincts into account. Sociologists portray this "hierarchy of needs" as a pyramid, with survival as its base and idealism and self-actualization as its apex. Those at one level find it difficult if not impossible to understand the views of those at another.

The arguments of those at the apex who oppose the sale of ownership of handguns are a case in point. Safe and secure themselves, protected by their environment and in no danger of mayhem or violence, they have the luxury of approaching the issue from an idealistic standpoint. Their beliefs that guns cause more problems than they prevent sounds good, and in a perfect world there could be no quarrel with their logic.

But the world is far from perfect. Those at the bottom of the pyramid insecure even in their own homes, with armed thugs looting and burning around them, unable to count on the police for even rudimentary protection, have an entirely different point of view. There the arguments of the advocates of gun control smacks of the advice of Queen Marie Antoinette to the French sansculottes.

To her, "Let them eat cake" was a perfectly reasonable response to a those who complained that they had no bread. After all, that is what she would have done. And "let them rely on the police instead of handguns" makes perfect sense to those work and reside where one can do just that.

But to those living in areas where the police are impotent and have long since abdicated control of the streets to thugs, drug dealers and armed gangs, such advice is sheer nonsense. Survival, not idealism, is the primary motivator there. Thus the rush to buy guns in the wake of the riots. Idealists may decry such actions, but to those whose lives and families are in danger it is simply a matter of survival and common sense.

It should be obvious that the way to control guns is not through legislating bans on their sale or possession. As in Washington, which has the strictest gun control laws in the nation, it may even be counterproductive. Since those laws were enacted, the District of Columbia has become the murder capital of the country, where ordinary citizens are shot just for kicks. The way to control guns is to create an environment similar to that in which most idealists reside, an environment where guns serve no useful purpose.

Until that is done, citizens will continue to provide for their own survival, and if that means buying a gun, then so be it. That is true in the international community as well, for survival forms the basis for international arms control as surely as it does for gun control at the local level. In 1788, during the debate on the Constitution, James Madison said it as well as it can be said:

"How could a readiness for war in time of peace be safely prohibited, unless we could prohibit in like manner the preparations and establishments of every hostile nation?" he said. "The means of security can only be regulated by the means and dangers of attack. They will in fact be ever determined by those rules and by no others.

"It is vain," he warned, "to impose constitutional barriers to the impulse of self-preservation." And it is equally vain to think that it is possible to impose such barriers on arms sales today. The views of idealists at the top of the pyramid who take security from outside attack for granted differ completely from those at the bottom whose borders are not so secure.

Nuclear arms control has been successful because there is a shared perception in the

world community that nuclear weapons are not so much military as political weapons, more useful for deterrence than for fighting a war. But conventional arms are another matter. Here Madison's logic still applies.

"If one nation maintains constantly a disciplined army ready for the service of ambition or revenge," he noted, "it obliges the most pacific nations, who may be within reach of its enterprises, to take corresponding precautions." That need "to take corresponding precautions" for the survival of the nation was at the heart of the "arms race" during the Cold War, and remains the root issue with arms control today.

To blame the "merchants of death" for arms sales abroad is like blaming the National Rifle Association for gun sales at home. It attacks a symptom rather than a cause. The solution is to create an international environment where such "corresponding precautions" are no longer necessary. Until that time, arms sales, as with gun sales, will continue to proliferate.

By Mr. DURENBERGER (for himself, Mr. ROCKEFELLER, and Mr. PACKWOOD):

S. 2914. A bill to direct the Secretary of Health and Human Services to make separate payment for interpretations of electrocardiograms; to the Committee on Finance.

SEPARATE PAYMENT FOR EKG INTERPRETATIONS

• Mr. DURENBERGER. Mr. President, before January 1 of this year, Medicare paid different doctors different amounts for the same service. It rewarded doctors for doing more procedures, rather than spending time with patients, and it allowed wide variation in payments to physicians practicing in different parts of the country.

It was for all those reasons, and more, that my colleague from West Virginia and I worked so hard to pass the Medicare physician payment reform legislation which took effect January 1. We wanted to create a fair payment system.

Today we join to introduce a bill to correct a problem in the OBRA '90 legislation which created inequities in EKG reimbursement. OBRA '90 prohibited separate payment for the interpretation of EKG's that are performed or ordered to be performed as part of a visit to a physician. My bill reestablishes separate payment for EKG interpretations.

An EKG test measures the heart's electrical activity. Its interpretation is valuable to the Medicare population for two reasons. First, the American College of Cardiology reports that of those over 65 with a diagnosis of heart disease, 59 percent of men and 48 percent of women display EKG abnormalities. Furthermore, 35 percent of all people over the age of 65 exhibit a major EKG abnormality, with or without a history of cardiovascular disease. An accurate interpretation of the EKG by a skilled physician is important in the treatment of Medicare beneficiaries.

Second, the value of the EKG in detecting heart problems is only as good

as the skill of the physician who interprets it. The test itself does not detect cardiac abnormalities. For the EKG to be useful, trained physicians must intelligently interpret the tracings from the test and diagnose the problem based on their own skill and judgment. But under the OBRA '90 provision, the interpretation is no longer separately reimbursed.

Because HCFA was prohibited from establishing separate payment for EKG interpretation in the Medicare fee schedule, it increased the reimbursement for office visits and consultations. In other words, it bundled EKG reimbursement into the visit and consultation billing codes. However, in this case, the provision redistributes moneys to physicians who never interpret EKG's and does not sufficiently pay physicians who interpret many EKG's. Because the use of EKG's varies widely by specialty, it is not currently possible to construct a bundled fee for office visits that, on average, would balance out fairly over time.

As one of the two Senate authors of physician payment reform, I feel a responsibility to ensure that the program is carried out in the manner intended by both the Congress and the physician community that must make it work. My years of experience with Medicare fee-for-service have taught me that we get what we pay for. In the case of EKG's, we are not paying for what we want: Reliable interpretation of these tests. Rather we have created a financial disincentive which may discourage physicians from interpreting EKG's. We have to make a change in the fee schedule to eliminate this false economy and deliver the quality care Medicare patients deserve.

Physician payment reform was supposed to improve Medicare payments for undervalued visits and consultations. It was supposed to provide better reimbursement for services of primary care physicians. It was supposed to establish the principle that all future Medicare payments would be based on the resource costs of providing the service.

The OBRA '90 EKG prohibition violates all of these objectives, Mr. President. By eliminating payments for EKG interpretation, the gains for other visits and consultations are completely canceled out.

Let me assure my colleagues, our failure to act now to rectify a major problem in the physician fee schedule will lead to endless debate and problems down the road, which will require congressional intervention. Our failure to act last year, prior to the implementation of the fee schedule, is already showing its effects.

In closing, Mr. President, I think it is important that we remember our primary goal when we passed the physician payment reform legislation: To do a better job meeting the access and

quality needs of Medicare beneficiaries. Mr. President, this legislation is designed to correct physician payment reform, so we end up closer to our goal of better services for senior citizens.

Mr. President, I ask unanimous consent that a copy of the bill and a technical explanation of it be printed in the RECORD at the end of my statement.

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

S. 2914

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PERMITTING SEPARATE PAYMENT FOR INTERPRETATION OF ELECTROCARDIOGRAMS.

(a) IN GENERAL.—Section 1848(b) of the Social Security Act (42 U.S.C. 1395w-4(b)) is amended by striking paragraph (3).

(b) DEVELOPMENT OF SEPARATE FEE SCHEDULE AMOUNTS FOR ELECTROCARDIOGRAM INTERPRETATIONS.—

(1) IN GENERAL.—The Secretary of Health and Human Services (hereafter in this subsection referred to as the "Secretary") shall make separate payment, under the fee schedule established under section 1848 of the Social Security Act (42 U.S.C. 1395w-4), for the interpretation of electrocardiograms performed or ordered to be performed as part of or in conjunction with a visit to or a consultation with a physician.

(2) ADJUSTMENT OF VISIT AND CONSULTATION RELATIVE VALUES.—The Secretary shall adjust the relative values established for medical visits and consultations under part 415 of title 42 of the Code Federal Regulations, so as not to include relative value units for electrocardiogram interpretation in the relative value for medical visits and consultations.

(3) ADJUSTMENT OF FEE SCHEDULES.—The Secretary shall adjust—

(A) the fee schedule amounts which are determined under section 1848(a)(2)(A) of the Social Security Act (42 U.S.C. 1395w-4(a)(2)(A)) and used in application of the special rules for 1993, 1994, and 1995, under section 1848(a)(2)(B) of such Act (42 U.S.C. 1395w-4(a)(2)(B)), and

(B) the relative values for all services established under section 1848(b) of such Act (42 U.S.C. 1395w-4(b)).

to reflect the separate payment for electrocardiogram interpretations under paragraph (1) so as not to increase or decrease expenditures under such section as determined without regard to paragraph (1).

(c) EFFECTIVE DATE.—The amendment made by subsection (a) and the provisions of subsection (b) shall apply to services furnished on or after January 1, 1993.

TECHNICAL EXPLANATION FOR EKG BILL

CURRENT LAW

The Omnibus Budget Reconciliation Act of 1990 (OBRA '90) prohibited separate payment for the interpretation of EKG's that are performed or ordered to be performed as part of or in conjunction with a medical visit or consultation. This provision was effective for services furnished beginning January 1, 1992.

In the regulations implementing the Medicare fee schedule, the Department of Health and Human Services (HHS) bundled payment for EKG interpretation into medical visit and consultation fees. HHS included relative value units valued at \$0.73 in office visits, of-

office consultations and emergency visits; \$1.11 in hospital visits, hospital consultations and critical care services; and \$0.10 in all other visits.

PROBLEM

Bundling of services provides incentives for appropriate utilization of services. However, in this case, the provision redistributes monies to physicians who never interpret EKGs and does not sufficiently pay physicians who interpret many EKGs. There have been scattered reports about EKGs in hospitals not being interpreted as well as reports of physicians finding ways to circumvent the provision.

BACKGROUND

Last year, we introduced S. 1810, the Medicare Physician Payment Reform Implementation Act of 1991. S. 1910 included a provision to establish separate payment for EKG interpretation. However, this legislation was drafted with the expectation that legislation would have been enacted before the fee schedule was implemented.

Now that the fee schedule has been implemented, establishment of separate payment for EKG interpretations is more complicated for two reasons.

(1) Due to a technical error, an insufficient number of relative value units for EKG interpretation was bundled into the medical visits and consultations.

(2) Because more EKG interpretations go to the full fee schedule immediately than medical visits, during the transition, separate payment for EKG interpretations is not budget-neutral; there is a budget cost. In effect, the adjustment to the historical payment basis that HHS made last year to achieve budget neutrality would have been greater if the EKG separate payment legislation had been passed last year and been effective January 1, 1992.

PROPOSED LEGISLATION

Our bill would establish separate fee schedule amounts for EKG interpretations performed or ordered to be performed as part of or in conjunction with a visit to or a consultation with a physician. The separate payment would apply for interpretations furnished in all settings.

HHS would use the same transition provisions and rules for EKG interpretations that were used for all services in 1992. That is, the historical payment basis would be calculated for EKG interpretations for each locality and the statutory transition rules would be applied to determine a 1992 payment. The statutorily specified transition rules for 1993, 1994 and 1995 would apply in those years.

The relative values established in the November 25, 1992 physician fee schedule final regulation were 0.35 relative value units for codes 93000 and 93010 and 0.29 relative value units for codes 93040 and 93042. Using the 1992 conversion factor of \$31.00, the fees would be \$10.85 and \$8.99. It is important to stress that these will not necessarily be the full fee schedule amounts in 1993 for EKG interpretations. The relative values or conversion factor for EKG interpretations. The relative values or conversion factor could change as a result of legislative amendments or changes that HHS makes as a result of the relative value refinement process.

The bill would require HHS to subtract the relative value units for EKG interpretations that were actually bundled into the medical visit and consult relative value units for 1992. This will result in the following reductions for services paid at the full fee schedule (and a proportional amount for services in transition):

Office visits, office consultations and emergency visits: \$0.73;

Hospital visits, hospital consultations and critical care services: \$1.11; and

All other visits: \$0.10.

Another adjustment is needed to account for the shortfall of relative value units that were actually bundled into the medical visits and consults. The bill would require HHS to make an across-the-board adjustment to the relative values for all services established to cover the insufficiency. The adjustment is currently estimated to be a 0.37 percent reduction. This reduction applies only to services paid at the full fee schedule.

Had a sufficient number of relative value units been bundled in the HHS regulation last year this adjustment would not have been necessary. However, because of the insufficiency, the initial fee schedule conversion factor is too high by this amount. This adjustment is now necessary and appropriate to restore the conversion factor to the level it should have been set at initially.

An adjustment is needed to make the legislation budget-neutral during the transition because more EKG interpretations go to the full fee schedule immediately than medical visits and consultations. My bill requires HHS to adjust the historical fees used during the transition.

Technically, the adjustment would work as follows. For services in transition, the 1992 fees that would be updated and used for blending with the fee schedule in 1993, 1994 and 1995 would be reduced across the board for all services, including EKGs, visits and consults, by a figure estimated to be 1.3 percent. This reduction would not apply to any payments for services 1992 nor would it apply to services paid at the full fee schedule (i.e., services not in transition). This adjustment accounts for the insufficiency of relative value units bundled into the visits and consultations during the transition and the costs of the differential transition between EKG interpretations and medical visits and consultations. There would be no permanent effect of this adjustment when all fees are paid at the fee schedule in 1996.

In summary, the costs of this legislation would be paid for by three related provisions. The effect of the legislation varies depending on whether the service is in transition or paid at the full fee schedule, and depending on whether the service is a medical visit, consultation, EKG interpretation or another service.

First, for services in transition (other than visits and consultations), the total effect on payments in 1993 is a 1.07 percent reduction. This is based on a blend of 75 percent of 1992 payments reduced by 1.3 percent and 25 percent of relative values reduced by 0.37 percent. The reduction would be 0.84 percent in 1994 and 0.6 percent in 1995. Relative to the payment amounts under the fully implemented fee schedule published in the November 25, 1991 Federal Register, there will be a 0.37 percent reduction in the 1996 fee schedule amount.

Second, visit and consultation services in transition would be reduced by 1.07 percent in 1993, 0.84 percent in 1994 and 0.6 percent in 1995, as well as by a percentage of the total relative value units bundled into the visit and consultation payments to account for EKG interpretation (15% in 1992, 25% in 1993, 33% in 1994 and 50% in 1995) depending on the type of medical visit or consultation. There will also be a 0.37 percent reduction in the 1996 fee schedule amounts relative to the values in the fee schedule final regulation.

And third, for services paid at the full fee schedule (other than visits and consulta-

tions), 1993 payments would be reduced by 0.37 percent relative to the current payment amounts. For visits and consultation services paid at the full fee schedule, 1993 payments would be reduced by \$0.73, \$1.11 or \$0.10 depending on the type of medical visit, as well as by 0.37 percent relative to the current payment amounts.●

● Mr. PACKWOOD. Mr. President, I am pleased to join my colleagues today in introducing this legislation which seeks to correct an inequitable Medicare payment provision.

When Congress prohibited Medicare from making separate payments for electrocardiogram [EKG] interpretations in 1990, it did so to address the overutilization and overpayment for EKG's which had resulted in considerable excess costs to the Medicare Program. In retrospect, however, it is apparent that this prohibition has produced an inequity in physician payment and is inconsistent with the Medicare resource-based fee schedule.

I have heard from numerous physicians in my State of Oregon, complaining about the inequity of this prohibition. Hospitals have also experienced problems having EKG's for Medicare patients interpreted.

In implementing this prohibition, the Health Care Financing Administration bundled the relative values for EKG interpretation into physician visits. As a result, all physicians are receiving some reimbursement for EKG interpretation as part of their payments for visits. Some of these physicians never do EKG's while others do many. This isn't fair and conflicts with the premise on which the new Medicare fee schedule is based.

The bill we are introducing today restores separate Medicare payment for EKG interpretation. It provides that this change be accomplished in a budget-neutral way. Thus, the enactment of this legislation will not cost Medicare any more money.

I am still concerned about overutilization of EKG's. I believe, however, that the problem can be better addressed through other means, such as by developing practice guidelines which outline when an EKG is appropriate.

The new Medicare fee schedule is the most comprehensive change to physician payment since the inception of the Medicare Program. Its implications go well beyond the Medicare Program as many private insurers have already, or are considering, adopting it. Therefore, it is important that problems with the fee schedule be corrected as soon as possible. I hope that we can pass this legislation soon, so that payments for EKG interpretations can be incorporated into the new fees which will be paid beginning in January 1993.●

By Mr. THURMOND (for himself and Mr. HATCH) (by request):

S. 2915. A bill to reauthorize the Office of Justice Programs, the Bureau of

Justice Assistance, the Bureau of Justice Statistics, the National Institute of Justice, the Office of Juvenile Justice and Delinquency Prevention, and for the other purposes; to the Committee on the Judiciary.

REAUTHORIZATION OF OFFICE OF JUSTICE PROGRAMS AND OFFICE OF JUVENILE JUSTICE AND DELINQUENCY PREVENTION PROGRAMS

Mr. THURMOND. Mr. President, I rise today to introduce the administration's bill to reauthorize the Department of Justice's Office of Justice Programs, and its components, the Bureau of Justice Assistance, the Bureau of Justice Statistics, the National Institute of Justice, and the Office of Juvenile Justice and Delinquency Prevention. This bill would extend the OJP's operating authority, which is scheduled to expire this year.

The changes proposed by this bill would create a more efficient and effective organizational structure which fosters cooperation, coordination, and communication between the OJP and the bureaus which it oversees. The improved structure should eliminate the problems of duplication of efforts and fragmentation of goals and programs. As a result, the OJP is able to more effectively provide national leadership, direction, and assistance to State and local governments against violent crime and drug use in America.

Legislative efforts to decrease intra-agency disputes and inter-agency turf battles should be given strong consideration. At a time when Congress must appropriate limited resources wisely, greater coordination and communication between bureaus must be encouraged.

In addition, the bill removes the Bureau of Justice Statistics from the authority of OJP to place it on the same organizational level as other Federal statistical agencies, such as the Bureau of Labor Statistics and the Bureau of the Census.

This bill reauthorizes the OJP, BJA, BJS, NIJ, and OJJDP for an additional 4 years. Continuing the activities of the OJP and its bureaus will reduce impediments to coordination. It will enhance the effectiveness of the various programs, particularly those aimed at assisting State and local jurisdictions in waging the war against violent crime and drugs.

I urge my colleagues to carefully consider this proposal. There are obvious benefits to enacting this legislation. As the Senate studies this issue, I look forward to working with my colleagues on the Judiciary Committee. While I may differ with the administration on a few of the specific proposals contained in this legislation, I firmly believe this proposal merits strong consideration.

Mr. President, I ask unanimous consent that the entire bill be printed in the RECORD, along with a section-by-section analysis, immediately following my remarks.

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

S. 2915

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—OFFICE OF JUSTICE PROGRAMS
SEC. 101. DUTIES AND FUNCTIONS OF ASSISTANCE ATTORNEY GENERAL.

(a) Section 102 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3712(a)) is amended—

(1) by inserting “, subject to the authority of the Attorney General,” after “General”;

(2) by redesignating paragraphs (1), (2), (3), (4), (5), and (6) as paragraphs (5), (6), (7), (4), (8), and (9), respectively;

(3) by inserting before paragraph (4), as redesignated by paragraph (2), the following new paragraphs:

“(1) be responsible for all matters of administration and management, except those otherwise delegated by the Attorney General, with respect to the Bureau of Justice Assistance, National Institute of Justice, Office of Juvenile Justice and Delinquency Prevention, and Office for Victims of Crime (referred to in this part as the ‘OJP bureaus’), which matters include allocation of resources and preparation of final budget submissions, Congressional and public affairs activities, financial and program monitoring of grant recipients, management information systems support functions, financial management activities, facilities allocation, and procurement activities;

“(2) establish policies and priorities for the OJP bureaus;

“(3) provide coordination among the OJP bureaus;” and

(4) in paragraph (4), as redesignated by paragraph (2), by striking “the Bureau of Justice Statistics”.

TITLE II—NATIONAL INSTITUTE OF JUSTICE

SEC. 201. PURPOSES.

Section 201 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3721) is amended—

(1) by inserting “and” at the end of subsection (2);

(2) by striking paragraph (3); and

(3) by redesignating paragraph (4) as paragraph (3).

SEC. 202. ESTABLISHMENT, DUTIES AND FUNCTIONS.

Section 202 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3722) is amended—

(1) in subsection (b) by striking the second sentence;

(2) in the third sentence of subsection (b) by inserting “, subject to modification by the Assistant Attorney General in accordance with the policies and priorities set by the Attorney General” before the period;

(3) in subsection (c)(2)—

(A) by striking subparagraph (B);

(B) by redesignating subparagraph (C) as subparagraph (B) and inserting at the end of that subparagraph “and potential prevention and intervention”; and

(C) by inserting after subparagraph (B), as redesignated by clause (ii), the following new subparagraph:

“(C) to improve the application of science and technology to criminal justice problems;” and

(4) in subsection (d)—

(A) by striking “and” at the end of paragraph (4);

(B) by redesignating paragraph (5) as paragraph (6); and

(C) by inserting after paragraph (4) the following new paragraph:

“(5) receive funds appropriated to the Office and its bureaus and (with their consent) Federal agencies, for the purpose of conducting justice-related research and development and administering programs and projects of mutual concern and benefit; and”.

TITLE III—BUREAU OF JUSTICE STATISTICS

SEC. 301. PURPOSES.

Section 301(a) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3731(a)) is amended in the first sentence by striking “to provide for and encourage the collection and analysis” and inserting “to establish a Bureau of Justice Statistics, which shall be the principal national center for the collection, analysis, reposition, and dissemination”.

SEC. 302. ESTABLISHMENT, DUTIES, AND FUNCTIONS.

Section 302 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3732) is amended—

(1) in subsection (b)—

(A) by striking the second sentence; and
(B) in the third sentence by striking “through the Assistant Attorney General”;

(2) in subsection (c)—

(A) in paragraph (3) by striking “crime, civil disputes, and juvenile delinquency,” and inserting “crime and civil disputes”;

(B) by redesignating paragraph (4) as paragraph (5); and

(C) by inserting after paragraph (3) the following new paragraph:

“(4) collect and analyze information concerning juvenile delinquency, including characteristics of juveniles and young adults in juvenile facilities, current offenses, drug and alcohol use, and criminal histories;”

(D) by redesignating paragraphs (5) and (6) as paragraphs (6) and (7), respectively;

(E) by inserting after paragraph (7), as redesignated by subparagraph (C), the following new paragraph:

“(8) develop a mechanism to share criminal justice data and information among the States and to access Federal and State data and information electronically;”

(F) by redesignating paragraphs (7), (8), (9), (10), (11), (12), (13), (14), (15), (16), (17), and (18) as paragraphs (9), (10), (11), (12), (13), (14), (15), (16), (17), (18), (19), and (20), respectively;

(G) by inserting after paragraph (20), as redesignated by subparagraph (E), the following new paragraph:

“(21) conduct or provide support for national programs to improve the Nation's criminal history record information systems and provide direct grants to State and local agencies to increase the accuracy, completeness, timeliness, and utility of criminal history record information for criminal and noncriminal purposes;”

(H) by redesignating paragraphs (19), (20), (21), and (22) as paragraphs (23), (24), (25), and (26);

(I) by inserting after paragraph (25), as redesignated by subparagraph (G), the following new paragraph:

“(26) performs principal analysis of the data from the National Incident Based Reporting System collected by the Federal Bureau of Investigation and provide such information to the President, the Congress, and the general public;” and

(J) by striking paragraph (23); and

(3) in subsection (d)—

(A) by striking “and” at the end of paragraph (4);

(B) by striking the period at the end of paragraph (5) and inserting a semicolon; and (C) by adding at the end the following new paragraphs:

"(6) receive funds appropriated to the Office of Justice Programs and its bureaus and (with their consent) Federal agencies for the purposes of conducting justice-related statistical analyses and administering programs and projects of mutual concern and benefit; and

"(7) exercise the powers and functions set out in part H."

TITLE IV—BUREAU OF JUSTICE ASSISTANCE

SEC. 401. DUTIES AND FUNCTIONS OF THE DIRECTOR.

(a) GENERAL AUTHORITY.—Section 401(b) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3741(b)) is amended in the third sentence by inserting ", subject to modification by the Assistant Attorney General in accordance with policies and priorities set by the Attorney General" before the period.

(b) DUTIES.—Section 402 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3742) is amended—

(1) by redesignating paragraph (8) as paragraph (9); and

(2) by inserting after paragraph (7) the following new paragraph:

"(8) Receive funds appropriated to the Office and its bureaus and (with their consent) Federal agencies, for the purposes of conducting programs under the Edward Byrne Memorial State and Local Law Enforcement Assistance formula and discretionary grant programs and administering programs and projects of mutual concern and benefit."

SEC. 402. DESCRIPTION OF THE DRUG CONTROL AND SYSTEM IMPROVEMENT GRANT PROGRAM.

Section 501(b) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3751) is amended—

(1) by striking "and" at the end of paragraph (20);

(2) by striking the period at the end of paragraph (21) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(22) providing funding for the purpose of supporting litigation pertaining to Federal habeas corpus petitions in capital cases."

SEC. 403. GRANT LIMITATIONS.

Section 504(a)(1) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3754(a)(1)) is amended by striking "1991" and inserting "1993".

SEC. 404. PURPOSES OF DISCRETIONARY GRANTS.

Section 510(b) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3760) is amended by inserting "or inter-agency and intra-agency agreements" after "contracts".

SEC. 405. CORRECTIONAL OPTIONS GRANTS.

(a) REPEAL.—Chapter B of Subpart 2 of part E of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3762a et seq.) is repealed.

(b) TECHNICAL AMENDMENT.—The table of contents of title I of the Omnibus Crime and Safe Streets Act of 1968 (42 U.S.C. 3711 et seq.) is amended by striking the items relating to chapter B of subpart 2 of part E.

SEC. 406. ADMINISTRATIVE PROVISIONS.

Section 520(a)(2) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3766(a)(2)) is amended by striking "sections 511 and 515" and inserting "section 515".

TITLE V—ADMINISTRATIVE PROVISIONS

SEC. 501. RECORDKEEPING REQUIREMENT.

Section 811 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3789f) is amended by striking subsection (e).

TITLE VI—DEFINITIONS

SEC. 601. TECHNICAL CHANGES TO DEFINITIONS.

Section 901 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3791) is amended—

(1) in paragraph (3) by striking "and," and inserting "or";

(2) by adding "and" at the end of paragraph (20);

(3) by adding a period at the end of paragraph (21); and

(4) by striking paragraphs (22) and (23).

TITLE VII—FUNDING

SEC. 701. AUTHORIZATION OF APPROPRIATIONS.

Section 1001(a) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3793(a)) is amended—

(1) in paragraph (a)(1)—

(A) by striking "\$30,000,000" and inserting "such sums as are necessary";

(B) by striking "1989, 1990, 1991 and 1992" and inserting "1993, 1994, 1995 and 1996";

(2) in paragraph (2)—

(A) by striking "\$30,000,000" and inserting "such sums as are necessary";

(B) by striking "1989, 1990, 1991 and 1992" and inserting "1993, 1994, 1995 and 1996"; and

(C) by inserting ", of which sum in each such fiscal year not less than 10 percent shall be used to evaluate the effectiveness of projects or programs carried out under this title" before the period;

(3) in paragraph (3)—

(A) by striking "\$25,500,000 for fiscal year 1989"; and

(B) by striking "1990, 1991 and 1992" and inserting "1993, 1994, 1995, and 1996";

(4) in paragraph (5) by striking "\$900,000,000 for fiscal year 1991 and such sums as may be necessary for fiscal year 1992" and inserting "such sums as are necessary for each of fiscal years 1993, 1994, 1995, and 1996";

(5) by striking paragraph (6), relating to chapter B of part 2 of part E of title I of the Omnibus Crime Control and Safe Streets Act of 1968";

(6) by striking paragraph (7), relating to part M of that title;

(7) in paragraph (6), relating to part N of that title, by striking "\$25,000,000 for each of the fiscal years 1991, 1992, and 1993" and inserting "such sums as are necessary for each of fiscal years 1993, 1994, 1995 and 1996"; and

(8) by striking paragraph (7), relating to part O of that title.

TITLE VIII—PUBLIC SAFETY OFFICERS' BENEFITS PAYMENTS

SEC. 801. TECHNICAL AMENDMENTS.

(a) HEADING.—The heading of part L of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796 et seq.) is amended by inserting "AND DISABILITY" after "DEATH".

(b) PAYMENT OF BENEFITS.—Section 1201 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796) is amended—

(1) in subsection (b) by inserting "and proximate" after "disabled as the direct"; and

(2) in subsection (i) by inserting ", and with respect to the disability of a public safety officer shall be the amount payable under subsection (b) as of the date of the catastrophic injury to the officer".

SEC. 802. LIMITATION OF BENEFITS.

Section 1202 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796a) is amended—

(1) by striking "or" at the end of paragraph (4);

(2) by striking the period at the end of paragraph (5) and inserting "; or"; and

(3) by adding at the end the following new paragraph:

"(6) to any individual who would otherwise be entitled to a benefit under this part if medical evidence indicates that the individual voluntarily ingested or otherwise used or consumed any quantity of a controlled substance in violation of the Controlled Substances Act (12 U.S.C. 801 et seq.) prior to death, except—

"(A) ingestion, use, or consumption of a controlled substance that was medically prescribed or involuntarily ingested, used, or consumed;

"(B) passive ingestion because of exposure to another person's use; or

"(C) passive ingestion or absorption by handling the substance as part of assigned duties."

SEC. 803. DEFINITIONS.

Section 1204 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796b) is amended—

(1) by striking "and" at the end of paragraph (6);

(2) by striking the period at the end of paragraph (7) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(8) 'controlled substance' has the meaning stated in section 102 of the Controlled Substance Act (21 U.S.C. 802).

TITLE IX—RURAL DRUG ENFORCEMENT ASSISTANCE

SEC. 901. REPEAL OF RURAL DRUG ENFORCEMENT ASSISTANCE.

(a) REPEAL.—Part O of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796bb et seq.) is repealed.

(b) TECHNICAL AMENDMENT.—The table of contents of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3711 et seq.) is amended by striking the items relating to part O.

TITLE X—TRANSITION

SEC. 1001. CONTINUATION OF PROJECTS.

Section 1601(d) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3797(d)) is amended—

(1) by striking "The Administrator of the Law Enforcement Assistance Administration" and inserting "the Assistant Attorney General, Office of Justice Programs";

(2) by striking "approve comprehensive plans for the fiscal year beginning October 1, 1979," after "agreements";

(3) by inserting "for program or administrative purposes" after "obligate";

(4) by striking "for the continuation of projects in" and inserting "or prior years in"; and

(5) by striking ", as in effect on the day before the date of the enactment of the Justice System Improvement Act of 1979".

TITLE XI—EMERGENCY FEDERAL LAW ENFORCEMENT ASSISTANCE

SEC. 1101. AUTHORIZATION OF APPROPRIATIONS.

Section 609Y(a) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 10513(a)) is amended by striking "\$20,000,000 for each fiscal year ending after September 30, 1984," and inserting "such sums as are necessary for each fiscal year."

TITLE XII—AMENDMENTS TO JUVENILE JUSTICE AND DELINQUENCY PREVENTION ACT

SEC. 1201. ESTABLISHMENT OF OFFICE.

Section 201(b) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5611(b)) is amended—

(1) in the first sentence by striking “, from among individuals who have had experience in juvenile justice programs”; and

(2) by adding at the end the following new sentence: “The policies and priorities of the Administrator shall be subject to modification by the Assistant Attorney General in accordance with policies and priorities set by the Attorney General.”

SEC. 1202. CONCENTRATION OF FEDERAL EFFORTS.

Section 204 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5614) is amended—

(1) in subsection (a) by inserting “, subject to modification by the Assistant Attorney General in accordance with policies and priorities set by the Attorney General,” after “priorities”; and

(2) by redesignating subsections (h) and (i) as subsections (i) and (j), respectively; and

(3) by inserting after subsection (g) the following new subsection:

“(h) receive funds appropriated to the Office of Justice Programs and its Bureau of Justice Assistance, the Bureau of Justice Statistics, the National Institute of Justice, and the Office of Victims of Crime, and (with their consent) Federal agencies, for the purpose of developing juvenile delinquency programs relating to prevention, diversion, training, treatment, rehabilitation, evaluation, research, and improvement of the juvenile justice system, and administer programs and projects of mutual concern and benefit.”

SEC. 1203. SPECIAL STUDIES AND REPORTS.

Section 248 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5662) is repealed.

SEC. 1204. SPECIAL EMPHASIS PREVENTION AND TREATMENT PROGRAMS.

Section 261 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5665) is amended—

(1) in subsection (a)—

(A) by striking “shall” and inserting “may”; and

(B) by striking “each of the following during each fiscal year” after “for”;

(2) in subsection (b)(6)(B) by striking “of Justice” and inserting “for Juvenile Justice and Delinquency Prevention;”

(3) by striking subsection (c);

(4) by redesignating subsection (d) as subsection (c); and

(5) by striking subsection (e).

SEC. 1205. AUTHORIZATION OF APPROPRIATIONS.

Section 291(a) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5671) is amended to read as follows:

“(a) There are authorized to be appropriated to carry out part A and part C \$3,902,000 and \$7,250,000, respectively, for fiscal year 1993 and such sums as are necessary for each of fiscal years 1994, 1995, and 1996. Funds appropriated for any fiscal year shall remain available for obligation until expended.”

SEC. 1206. DUTIES AND FUNCTIONS OF THE ADMINISTRATOR.

Section 404 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5773) is amended—

(1) in subsection (b), in the matter preceding paragraph (1), by striking “nonprofit”;

(2) by redesignating subsection (c) as subsection (d); and

(3) by inserting after subsection (b) the following new subsection:

“(c) The Administrator may conduct and support evaluations and studies of the performance and results achieved by Federal missing children’s programs and activities and of the prospective performance and results that might be achieved by alternative programs and activities supplementary to or in place of those being administered on the date of enactment of this subsection.”

SEC. 1207. GRANTS.

Section 405(a) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5775(a)) is amended—

(1) in the matter preceding paragraph (1) by striking “agencies or nonprofit private organizations or combinations thereof, for research” and inserting “or private agencies, organizations, institutions, or individuals to conduct research, evaluations, conferences”; and

(2) by amending paragraph (4) to read as follows:

“(4) to prevent a child’s abduction or exploitation and to increase knowledge of and develop effective treatments pertaining to the psychological consequences, on both parents and children, of a child’s abduction or exploitation;”

(3) by striking “and” at the end of paragraph (8);

(4) by striking the period at the end of paragraph (9) and inserting “; and”; and

(5) by adding at the end the following new paragraph:

“(10) to disseminate information, data, standards, advanced techniques, and program models to enhance the capability of public and private organizations to prevent child abductions and to assist in the location, recovery, reunification with family, and treatment of the missing child.”

SEC. 1208. AUTHORIZATION OF APPROPRIATIONS.

Section 407 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5777) is amended by striking “1989, 1990, 1991, and 1992” and inserting “1993, 1994, 1995, and 1996”.

SEC. 1209. CONFIDENTIALITY OF PROGRAM RECORDS AND INFORMATION.

Title IV of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5778 et seq.) is amended by adding at the end the following new section:

“CONFIDENTIALITY OF PROGRAM RECORDS AND INFORMATION

“SEC. 409. (a) IN GENERAL.—Except as authorized by law, program records or information disclosing the identity of individual juveniles or of persons providing confidential information, gathered for purposes of this title, may not be disclosed without the consent of the service recipient or legally authorized representative, or the individual providing confidential information, except as is necessary to carry out this title.

“(b) NAMES OF SERVICE RECIPIENTS.—Under no circumstances may program reports or findings available for dissemination to the general public disclose the names of individual service recipients.”

SECTION-BY-SECTION ANALYSIS

TITLE I—OFFICE OF JUSTICE PROGRAMS

Section 101—Duties and Functions of Assistant Attorney General

Sec. 102 of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, 42 U.S.C. 3712) is amended as follows:

(1) insert the words “subject to the authority of the Attorney General,” after the word “General,” in subsection (a).

This ensures that the Attorney General’s authority over the Office of Justice Programs is maintained, particularly with regard to areas outside the authority of the Assistant Attorney General, OJP.

(2) redesignate “(a)(1)” as subsection “(a)(5)”, “(a)(2)” as subsection “(a)(6)”, “(a)(3)” as subsection “(a)(7)”, “(a)(4)” as subsection “(a)(8)”, and “(a)(6)” as subsection “(a)(9)”.

This is a technical change.

(3) add a new subsection “(a)(1)” to read as follows: “be responsible for all matters of administration and management, except those otherwise delegated by the Attorney General, with respect to the Bureau of Justice Assistance, National Institute of Justice, Office of Juvenile Justice and Delinquency Prevention, and Office for Victims of Crime (hereinafter in this part referred to as the OJP bureaus). These matters include, but are not limited to, allocation of resources and preparation of final budget submissions, allocation of personnel resources, Congressional and Public affairs activities, financial and program monitoring of grant recipients, management information systems support functions, financial management activities, facilities allocation and procurement activities.”

(4) add a new subsection “(a)(2)” to read as follows: “establish policies and priorities for the OJP bureaus.”

(5) add a new subsection “(a)(3)” to read as follows: “Provide coordination among the OJP bureaus.”

These three subsections will create an organizational structure that establishes a clear line of authority between OJP and its bureaus. These changes will significantly enhance the administration and management of the OJP bureaus thereby improving integration and coordination of the grant programs and funds. They will also create an environment that fosters improved communication and cooperation and will enable OJP to be more responsive to the policies and initiatives set forth by the Department of Justice and the Administration, e.g. the Weed and Seed initiative. These changes will codify the OJP statute to conform with the Attorney General’s delegation Order No. 1473-91, February 19, 1991.

(6) redesignate “(a)(5)” as subsection “(a)(4)” and strike the words “Bureau of Justice Statistics” after the words “National Institute of Justice”.

This is a technical change.

TITLE II—NATIONAL INSTITUTE OF JUSTICE

Section 201—Purposes

Sec. 201 of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, 42 U.S.C. 3721) is amended as follows:

(1) insert the word “and” at the end of subsection (2).

(2) strike subsection “(3)”.

The deletion of Sec. 201(3) reflects the recognition that authority to conduct research and development in alternative dispute resolution already exists under the broad mandates of Sec. 202, particularly Sec. 202(c)(2)(A).

(3) redesignate subsection “(4)” as subsection “(3)”.

This is a technical change.

Section 202—Establishment, Duties and Functions

Sec. 202 of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, 42 U.S.C. 3722) is amended as follows:

(1) strike the second sentence of subsection “(b)”.

This deletes provisions that proscribe specific qualifications beyond the advice and

consent of the Senate for those whom the President may nominate, and infringe upon the President's appointment prerogative.

(2) insert the words ", subject to modification by the Assistant Attorney General in accordance with the policies and priorities set by the Attorney General," after the word "Institute" the second time it appears in subsection (b).

This change codifies the OJP statute to conform with the Attorney General Delegation Order 1473-91, February 19, 1991 and helps establish a clear line of authority between OJP and its bureaus.

(3) strike subsection "(c)(2)(B)". This eliminates redundancy.

(4) redesignate "(c)(2)(C)" as subsection "(c)(2)(B)" and insert the words "and potential prevention and intervention" at the end of subsection (c)(2)(B).

This recognizes current priorities within criminal justice research and the need to focus on prevention and intervention strategies.

(5) add a new subsection "(c)(2)(C)" to read as follows: "to improve the application of science and technology to criminal justice problems;"

This more clearly defines NIJ's role as a conduit to the criminal justice system of new scientific techniques and technological advancements, and recognizes current priorities within the criminal justice community.

(6) strike the word "and" at the end of subsection (d)(4).

(7) redesignate "(d)(5)" as subsection "(d)(6)" and add new subsection "(d)(5)" to read as follows: "receive funds appropriated to the Office and its bureaus, and Federal agencies, with their consent, to conduct justice-related research and development and administer programs and projects of mutual concern and benefit" and"

This more clearly defines the authority of NIJ to enter into collaborative efforts through inter and intra agency agreements with OJP bureaus and other Federal agencies. OJP bureaus have a long history of collaborative agreements and joint funding of projects. All funds are and will continue to be used for their statutory purposes, which is to benefit state and local criminal justice systems. The benefits of collaborative efforts include the sharing of expertise and experience on issues of vital importance to state and local governments; the realization of greater efficiencies by pooling resources, preventing duplication, and coordinating like activities; and less money being spent on overhead. No functions, powers and duties are transferred or delegated. These agreements and efforts help focus on the importance of coordinating the resources among OJP's bureaus, by providing a comprehensive approach in addressing complex law enforcement issues. There are currently a myriad of State and local programs now being funded by the OJP through collaborative agreements that are providing crucial assistance and enhancements which aid State and local units of government in successfully fighting our nation's war against crime and drugs, e.g., Weed and Seed. The rationale for entering into these types of collaborative agreements is to ensure that the most qualified provider is utilized in rendering services to state and local units of government. Utilizing this expertise more directly and cost-effectively serves the interest of States and localities. Collaborative efforts do not augment the other bureau's appropriation. In this time of fiscal restraint and budget constraints, it makes sense to more formally recognize this practice.

TITLE III—BUREAU OF JUSTICE STATISTICS

Section 301—Purposes

Sec. 301 of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, 42 U.S.C. 3731), is amended as follows:

(1) strike the words "to provide for the encourage the collection and analysis" after the word "part" the first time it appears in subsection (a) and insert the words "to establish a Bureau of Justice Statistics which shall be the principal national center for the collection, analysis, reposition, and dissemination" in lieu thereof;

This improves and clarifies the establishment of the Bureau of Justice Statistics (BJS) by standardizing the language for establishment of a specific agency responsible for the functions outlined in Sec. 301. This added language provides a reference for the subsequent citing within Sec. 301 to the Bureau. Furthermore, it delineates the additional repository and dissemination responsibilities accorded by BJS.

Section 302—Establishment, Duties, and Functions

Sec. 302 of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, 42 U.S.C. 3732), is amended as follows:

(1) strike the second sentence of subsection (b).

This deletes provisions that proscribe specific qualifications beyond the advice and consent of the Senate for those whom the President may nominate, and infringe upon the President's appointment prerogative.

(2) strike the words "through the Assistant Attorney General" after the words "Attorney General" in subsection (b).

This removes BJS from the Office of Justice Programs. BJS has unique Federal statistical responsibilities, distinct from the responsibilities and functions of the other OJP offices and bureaus. National level criminal justice data collection and analysis requires a strong and continuing Federal commitment, and is essential to sound national policies for combatting crime across the nation. BJS has in-house analytical capabilities unique among the other Department agencies and components. This data collection, analyses and information dissemination needs of the Department-at-large may be better met by assigning to BJS a more central position. The targeted and specialized state information and record improvement programs administered by BJS would not be compromised and conceivably might even be enhanced by a relocation of BJS within the Department. Finally, BJS would be given a status and organizational placement similar to that of other Federal statistical agencies such as the Bureau of Labor Statistics and the Bureau of the Census. The mission of BJS would be to provide the entire Department with the most accurate and complete data and analyses possible relating to the nation's justice system.

(3) strike the words ", and juvenile delinquency," after "civil disputes" the second time it appears in subsection "(c)(3)". Strike the comma after the word "crime" the second time it appears in subsection "(c)(3)" and insert the word "and" in lieu thereof.

Juvenile delinquency reference will be consolidated in one subsection.

(4) redesignate "(c)(4)" as subsection "(c)(5)" and add a new subsection "(c)(4)" to read as follows: "collect and analyze information concerning juvenile delinquency, including characteristics of juveniles and young adults in juvenile facilities, current offenses, drug and alcohol use, and criminal histories;"

Consolidates responsibilities for juvenile justice statistics in one subsection.

(5) redesignate "(c)(5)" as subsection "(c)(6)"

(6) redesignate "(c)(6)" as subsection "(c)(7)" and insert a new subsection "(c)(8)" to read as follows: "develop a mechanism to share criminal justice data and information among the States and to access Federal and state data and information electronically;"

This accords specific authority to BJS for the development of a national infrastructure for the collection of common justice statistical data and the electronic exchange of data and information among the states and BJS.

(7) redesignate "(c)(7)" as subsection "(c)(9)"; redesignate "(c)(8)" as subsection "(c)(10)"; redesignate "(c)(9)" as subsection "(c)(11)"; redesignate "(c)(10)" as subsection "(c)(12)"; redesignate "(c)(11)" as subsection "(c)(13)"; redesignate "(c)(12)" as subsection "(c)(14)"; redesignate "(c)(13)" as subsection "(c)(15)"; redesignate "(c)(14)" as subsection "(c)(16)"; redesignate "(c)(15)" as subsection "(c)(17)"; redesignate "(c)(16)" as subsection "(c)(18)"; redesignate "(c)(17)" as subsection "(c)(19)"; and redesignate "(c)(18)" as subsection "(c)(20)".

(8) redesignate "(c)(19)" as subsection "(c)(22)" and insert a new subsection "(c)(21)" to read as follows: "conduct or provide support for national programs to improve the nation's criminal history record information systems; provide direct grants to state and local agencies to increase the accuracy, completeness, timeliness and utility of criminal history record information for criminal and noncriminal purposes;"

This clarifies existing BJS authority to conduct national programs and provide direct grant support to improve the nation's criminal history record information (CHRI) systems. This additionally emphasizes BJS' extensive responsibility in this area and incorporated existing authority under a single subsection.

(9) redesignate "(c)(20)" as subsection "(c)(23)"; redesignate "(c)(21)" as subsection "(c)(24)"; and redesignate "(c)(22)" as subsection "(c)(25)".

(10) add a new subsection "(c)(26)" to read as follows: "performs principal analysis of the data from the National Incident Based Reporting System collected by the Federal Bureau of Investigation and provide such information to the President, the Congress, and the general public;"

This accords authority to BJS to include analysis of NIBRS data as part of the agency's responsibility to analyze statistical information concerning crime and criminal justice. BJS has been instrumental in coordinating establishment of NIBRS at the state level. The addition of this specific responsibility clarifies BJS' role in this program, and permits analysis that draws upon information gained from other surveys conducted by BJS.

(11) redesignate "(c)(23)" as subsection "(d)(7)"

This is merely a technical correction reflecting that these are powers more appropriately exercised by the Director of BJS.

(12) insert new subsection "(d)(6)" to read as follows: "receive funds appropriated to the Office of Justice Programs and its bureaus and Federal agencies, with their consent, to conduct justice-related statistical analyses and administer programs and projects of mutual concern and benefit;"

This clarifies the applicability of BJS administering funds appropriated to the Office of Justice Programs and its bureaus and

other Federal agencies. BJS has administered the CHRI funds appropriated to BJA for the past three years. This language will allow for future cooperative arrangements and the transfer of funds to BJS for the operation of programs and the conduct of statistical analyses for which BJS is more technically suited to administer and perform, but for which funding is appropriated elsewhere. BJS should have the flexibility to provide statistical analyses for other federal agencies on pay-for-service and reimbursable bases.

TITLE IV—BUREAU OF JUSTICE ASSISTANCE

Section 401—Duties and Functions of the Director

Sec. 401 of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, 41 U.S.C. 3741) is amended as follows:

(1) insert the words "subject to modification by the Assistant Attorney General in accordance with the policies and priorities set by the Attorney General." after the word "Bureau" the second time it appears in subsection (b).

This codifies the OJP statute to conform with the Attorney General Delegation Order 1473-91, February 19, 1991 and helps establish a clear line of authority between OJP and its bureaus.

Sec. 402 of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, 41 U.S.C. 3742) is amended as follows:

(1) redesignate "(8)" as subsection "(9)", and add a new subsection "(8)" to read as follows: "receive funds appropriated to the office and its bureaus, and Federal agencies, with their consent, to conduct programs under the Edward Byrne Memorial State and Local Law Enforcement Assistance formula and discretionary grant programs, and administer programs and projects of mutual concern and benefit."

This more clearly defines the authority of BJA to enter into collaborative efforts through inter and intra agency agreements with OJP bureaus and other Federal agencies. OJP bureaus have a long history of collaborative agreements and joint funding of projects. All funds are and will continue to be used for their statutory purposes, which is to benefit state and local criminal justice systems. The benefits of collaborative efforts include the sharing of expertise and experience on issues of vital importance to state and local governments; the realization of greater efficiencies by pooling resources, preventing duplication, and coordinating like activities; and less money being spent on overhead. No functions, powers and duties are transferred or delegated. These agreements and efforts help focus on the importance of coordinating the resources among OJP's bureaus, by providing a comprehensive approach in addressing complex law enforcement issues. There are currently a myriad of State and local programs now being funded by the OJP through collaborative agreements that are providing crucial assistance and enhancements which aid State and local units of government in successfully fighting our nation's war against crime and drugs, e.g., Weed and Seed. The rationale for entering into these types of collaborative agreements is to ensure that the most qualified provider is utilized in rendering services to state and local units of government. Utilizing this expertise more directly and cost-effectively serves the interest of States and localities. Collaborative efforts do not augment the other bureau's appropriation. In this time of fiscal restraint and budget constraints, it makes sense to more formally recognize this practice.

Section 402—Description of the Drug Control and System Improvement Grant Program

Sec. 501 of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, 42 U.S.C. 3751) is amended as follows:

(1) add subsection "(b)(22)" to read as follows: "providing funding for the purpose of supporting litigation pertaining to Federal habeas corpus petitions in capital cases.;"

This establishes an additional purpose area which will encourage states to use BJA formula grant funds in support of their efforts to litigate federal habeas corpus petitions in capital cases. While states may currently use their BJA formula funds for this purpose under existing law, the establishment of a separate purpose area more clearly defines the need for states focus on such funding priorities. This is consistent with the emphasis and importance placed by the Justice Department on enabling states to use federal funds for this purpose and helps offset Federal monies that currently support death penalty appeals through capital resource centers. Additionally, it is responsive to the imbalance in litigation resources that has resulted in one-sided federal support of defendants' efforts to overturn capital convictions and sentences.

Section 403—Grant Limitations

Sec. 504 of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, 42 U.S.C. 3754) is amended as follows:

(1) strike the word "1991" from subsection "(a)(1)" and insert the word "1993" in lieu thereof;

This reflects current law as embodied in P.L. 102-104, the Department of Justice's Fiscal Year 1992 Appropriations bill.

Section 404—Purposes of Discretionary Grants

Sec. 510 of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, 42 U.S.C. 3760) is amended as follows:

(1) add the words "or inter and intra agency agreements" after the word "contracts" in subsection "(b)".

This is a technical change to address the long-standing use by OJP of inter and intra agency agreements.

Section 405—Correctional Options Grants

Chapter B—Grants to Public Agencies of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, 41 U.S.C. 3762a) is amended as follows:

(1) strike "Chapter B-Grants to Public Agencies" in its entirety.

These sections deal with Correctional Options grants which were included over the Administration's strong opposition in the Crime Control Act of 1990. While the Department of Justice strongly supports expansion of the range of available criminal sanctions to enhance public safety, it believes that this grant program is unnecessary and excessive, and includes features that are unsound. The Department currently supports and assists a wide-range of intermediate sanctions projects through the programs of OJP (including BJA) and the National Institute of Corrections. There is no adequate reason for separating out this particular function from the existing funding and assistance programs.

Section 406—General Requirements

Chapter C—General Requirements of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, 3763) is amended as follows:

(1) Redesignate "Chapter C" as "Chapter B"

This is a minor technical change.

Section 407—Technical Changes to General Requirements

Sec. 517 of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, 42 U.S.C. 3763) is amended as follows:

(1) Redesignate "Sec. 517" as "Sec. 513" and strike the words "or 515" at the end of subsection "(a)(1)"

This is a minor technical change.

Section 408—Period of Award

Sec. 518 of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, 42 U.S.C. 3764) is amended as follows:

(1) redesignate "Sec. 518" as "Sec. 514"

This is a minor technical change.

Section 409—Administrative Provisions

Sec. 520 of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, 42 U.S.C. 3766) is amended as follows:

(1) strike the words "sections 511 and 515" in subsection "(a)(2)" and insert "section 515" in lieu thereof.

This is a minor technical change to conform with the elimination of Chapter B—Grants to Public Agencies—Correctional Options Grants.

TITLE V—ADMINISTRATIVE PROVISIONS CONSULTATION, ESTABLISHMENT OF RULES AND REGULATIONS

(This title will be reviewed by JMD attorney)

Section 501—Recordkeeping Requirement

Sec. 811 of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, 42 U.S.C. 3789f) is amended as follows:

(1) strike subsection "(e)" in its entirety.

This subsection is no longer relevant.

TITLE VI—DEFINITIONS

Section 601—Technical Changes to Definitions

Sec. 901 of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, 42 U.S.C. 3791) is amended as follows:

(1) Strike subsection "(a)(22)" and subsection "(a)(23)".

This is a technical correction to conform with the changes made in Title IV with regard to the elimination of the Correctional Options grant program.

TITLE VII—FUNDING AUTHORIZATION OF APPROPRIATION

Section 701—Extension of Authorization

Sec. 1001 of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, 42 U.S.C. 3793) is amended as follows:

(1) strike the word "\$30,000,000" in subsection "(a)(1)" and insert the words "such sums as may be necessary" in lieu thereof; and strike the words "1989, 1990, 1991 and 1992" in subsection "(a)(1)" and insert the words "1993, 1994, 1995 and 1996" in lieu thereof.

The BJS four-year authorization expires at the end of fiscal year 1992. This extends the BJS authorization for another four year period.

(2) strike the word "\$30,000,000" in subsection "(a)(2)" and insert the words "such sums as may be necessary" in lieu thereof; and strike the words "1989, 1990, 1991, and 1992" in subsection "(a)(2)" and insert the words "1993, 1994, 1995, and 1996" in lieu thereof; and strike the period after the word "Justice" and insert the words "of the amount appropriated in each of these fiscal years, not less than 10% shall be used to evaluate the effectiveness of projects or programs carried out under this title." in lieu thereof.

The NIJ four-year authorization expires at the end of fiscal year 1992. This extends the NIJ authorization for another four year period.

(3) strike the words "\$25,500,000" for fiscal year 1989 and "in subsection (a)(3)"; strike the words "1990, 1991 and 1992" in subsection (a)(3) and insert the words "1993, 1994, 1995 and 1996" in lieu thereof.

The OJP and BJA four-year authorization for programs other than those specifically addressed in this subsection expires at the end of fiscal year 1992. This extends the OJP and BJA authorization for another four year period.

(4) strike the words "\$900,000,000 for fiscal year 1991 and such sums as may be necessary for fiscal year 1992" in subsection (a)(4), and insert the words "such sums as may be necessary for each of the fiscal years 1993, 1994, 1995 and 1996" in lieu thereof.

The BJA four-year authorization for programs under parts D and E expires at the end of fiscal year 1992. This extends the BJA authorization for another four year period.

(5) strike the words "there are authorized to be appropriated \$220,000,000 for fiscal year 1991 and such sums as may be necessary for fiscal year 1992 to carry out chapter B of part 2 of part E of this title" in subsection (a)(6).

This eliminates authorization for appropriations and conforms with the changes made in Title IV with regard to the elimination of the Correctional Options grant program.

(6) strike the words "\$25,000,000 for each of the fiscal years 1991, 1992, and 1993" in subsection (a)(6) and insert the words "such sums as may be necessary for each of the fiscal years 1993, 1994, 1995 and 1996" in lieu thereof.

The BJA four-year authorization for programs under part N expires at the end of fiscal year 1992. This extends the BJA authorization for another four year period.

(7) strike the words "there are authorized to be appropriated \$15,000,000 for fiscal year 1989 and such sums as may be necessary for fiscal year 1992 to carry out chapter B of subpart 2 of part E of this title" in subtitle (a)(7).

This eliminates the authorization for appropriations and conforms with the changes made in Title IV with regard to the elimination of the Correctional Options grant program.

(8) strike the words "there are authorized to be appropriated \$20,000,000 for fiscal year 1991, and such sums as may be necessary for fiscal years 1992 and 1993, to carry out part O" in subtitle (a)(7).

This eliminates the authorization for appropriations and conforms with the changes made in Title with regard to the elimination of the Rural Drug Enforcement Assistance grant program.

TITLE VII—PUBLIC SAFETY OFFICERS' BENEFITS PAYMENTS

Section 801—Technical Corrections

Part L of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, 42 U.S.C. 3796) is amended as follows:

(1) insert the words "and Disability" after the word "Death".

Sec. 1201 of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, 42 U.S.C. 3796) is amended as follows:

(1) insert the words "and proximate" in subsection (b)", after the words "disabled as the direct";

This is a technical change that makes the disability criteria conform with those existing for death benefits.

(2) inserting the words "or disability" in subsection (i)", after the words "to the death";

This is a technical change to reflect the expansion of the program to include permanent disability.

(3) inserting the words "and subsection (b) as of the date of the catastrophic injury of such officer" at the end of subsection (i)"; This is a technical change to reflect the expansion of the program to include permanent disability.

Section 802—Limitation of Benefits

Sec. 1202 of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, U.S.C. 3796a) is amended as follows:

(1) adding a new subsection (6)" to read as follows: "to any individual who would otherwise be entitled to a benefit under this part if medical evidence indicates that such individual voluntarily ingested or otherwise used or consumed any quantity of a controlled substance (as set out in 21 U.S.C. 801 et seq.) prior to death. Excepted from this limitation is the ingestion, use or consumption of a controlled substance that was medically prescribed; involuntarily ingested, used or consumed; passively ingested because of exposure to another person's use; or passively ingested or absorbed by handling the substance as part of assigned duties."

This proposes to make voluntary controlled substance use a basis for denial of payments just as in cases of alcohol intoxication, intentional death (suicide), or gross negligence.

Section 803—Definitions

Sec. 1204 of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, 42 U.S.C. 3796b) is amended as follows:

(1) add subsection (8)" "controlled substance" as defined under the Controlled Substance Act (21 U.S.C. 801 et seq.)

This is a technical change that adds a definition of "controlled substance" in this section.

TITLE IX—RURAL DRUG ENFORCEMENT ASSISTANCE

Section 901—Repeal of Rural Drug Enforcement Assistance

Part O of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, 42 U.S.C. 3796bb) is amended as follows:

(1) Strike Part O in its entirety. These sections refer to Rural Drug Enforcement Assistance grants which were included over the Administration's opposition in the Crime Control Act of 1990. The Edward Byrne Memorial State and Local Law Enforcement formula grant program administered by BJA, provides funding designed to enable state and local governments to determine program priorities in a systematic manner through the development of a comprehensive statewide crime and anti-drug strategy. Programs such as rural enforcement are currently authorized. The vast majority of states fund a wide array of multi-jurisdictional task force efforts which cast a wide net to include rural areas.

Also, under this program states are authorized to fund law enforcement training and technical assistance programs. The new grant program established in this section is duplicative and unnecessary.

TITLE X—TRANSITION—EFFECTIVE DATE REPEALER CONTINUATION OF RULES, AUTHORITIES, AND PROCEEDINGS

Section 1001—Technical Changes

Part P of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, 42 U.S.C. 3797) is amended as follows:

Sec. 1601:
(1) redesignate "Part P" as "Part O".
(2) strike the words "The Administrator of the Law Enforcement Assistance Administration" at the beginning of subsection (d)" and insert "the Assistant Attorney General, Office of Justice Programs" in lieu thereof.

(3) strike the words "approve comprehensive plans for the fiscal year beginning October 1, 1979," in subsection (d)" after the word "agreements,"

(4) insert the words, "for program or administrative purposes" in subsection (d)" after the word "Obligate"

(5) strike the words "for the continuation of projects in" in subsection (d)" after the word "1979," the second time it appears and insert "or prior years in" in lieu thereof

(6) strike the words "as in effect on the day before December 27, 1979," after the word "title," in subsection (d)" the first time it appears.

These are technical amendments.

TITLE XI—EMERGENCY FEDERAL LAW ENFORCEMENT ASSISTANCE

Section 1101—Authorization

Sec. 609Y. of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90-351, 42 U.S.C. 10513) is amended as follows:

(1) strike the words "\$20,000,000 for each fiscal year ending after September 30, 1984," in subsection (a)" and insert "such sums as may be necessary for each fiscal year," in lieu thereof.

This is a minor technical change.

TITLE XII—AMENDMENTS TO JUVENILE JUSTICE AND DELINQUENCY PREVENTION ACT

Section 201—Establishment of Office

Sec. 201 of the Juvenile Justice and Delinquency Prevention Act of 1974 (P.L. 93-415, 42 U.S.C. 5611) is amended as follows:

(1) strike the words ", from among individuals who have had experience in juvenile justice programs" after the word "Senate" in subsection (b).

This deletes provisions that proscribe specific qualifications beyond the advice and consent of the Senate for those whom the President may nominate, and infringe upon the President's appointment prerogative.

(2) insert the words "and the policies and priorities of the Administrator are subject to modification by the Assistant Attorney General in accordance with the policies and priorities set by the Attorney General" after the word "1968" in subsection (b).

This change codifies the OJP statute to conform with the Attorney General Delegation Order 1473-91, February 19, 1991 and helps establish a clear line of authority between OJP and its bureaus.

Section 1202—Concentration of Federal Efforts

Sec. 204 of the Juvenile Justice and Delinquency Prevention Act of 1974 (P.L. 93-415, 42 U.S.C. 5614) is amended as follows:

(1) insert the words ", subject to modification by the Assistant Attorney General in accordance with the policies and priorities set by the Attorney General" after the word "priorities" in subsection (a).

This change codifies the OJP statute to conform with the Attorney General Delegation Order 1473-91, February 19, 1991 and helps establish a clear line of authority between OJP and its bureaus.

(2) redesignate "(h)" as "(i)" and "(i)" as "(j)" and add a new subsection "(h)" to read as follows: "receive funds appropriated to the Office of Justice Programs and its bureaus, the Bureau of Justice Assistance, the Bureau of Justice Statistics, the National Interstate of Justice and the Office for Victims of Crime, and Federal agencies, with their consent, to develop juvenile delinquency programs relating to prevention, diversion, training, treatment, rehabilitation, evaluation, research, and improvement of the juvenile justice system, and administer programs and projects of mutual concern and benefit."

This more clearly defines the authority of OJJDP to enter into collaborative efforts through inter and intra agency agreements with OJP bureaus and other Federal agencies. OJP bureaus have a long history of collaborative agreements and joint funding of projects. All funds are and will continue to be used for their statutory purposes, which is to benefit state and local criminal justice systems. The benefit of collaborative efforts include the sharing of expertise and experience on issues of vital importance to state and local governments; the realization of greater efficiencies by pooling resources, preventing duplication, and coordinating like activities; and less money being spent on overhead. No functions, powers and duties are transferred or delegated. These agreements and efforts help focus on the importance of coordinating the resources among OJP's bureaus, by providing a comprehensive approach in addressing complex law enforcement issues. There are currently a myriad of State and local programs now being funded by the OJP through collaborative agreements that are providing crucial assistance and enhancements which aid State and local units of government in successively fighting our nation's war against crime and drugs, e.g. Weed and Seed. The rationale for entering into these types of collaborative agreements is to ensure that the most qualified provider is utilized in rendering services to state and local units of government. Utilizing this expertise more directly and cost-effectively serves the interest of States and localities. Collaborative efforts do not augment the other bureau's appropriation. In this time of fiscal restraint and budget constraints, it makes sense to more formally recognize this practice.

Section 1203—Special Studies and Reports

Sec. 248 of the Juvenile Justice and Delinquency Prevention Act of 1974 (P.L. 93-415, 42 U.S.C. 5662) is amended as follows:

(1) strike the heading "SPECIAL STUDIES AND REPORTS" and all of "Section 248".

This is a technical amendment reflecting that these one-time reports have been completed.

Section 1204—Special Emphasis Prevention and Treatment Programs

Sec. 261 of the Juvenile Justice and Delinquency Prevention Act of 1974 (P.L. 93-415, 42 U.S.C. 5665) is amended as follows:

(1) strike the word "shall" after the word "Administrator" in subsection "(a)" and insert "is authorized" in lieu thereof.

(2) insert the word "to" after the word "individuals" in subsection "(a)".

(3) strike the words "each of the following during each fiscal year" after the word "for" in subsection "(a)".

(4) strike the words "of Justice" in subsection "(b)(6)(B)" and insert the words "for Juvenile Justice and Delinquency Prevention" in lieu thereof.

(5) strike subsection "(c)".

(6) redesignate subsection "(d)" as subsection "(c)".

(7) strike subsection "(e)".

This provides more discretion to the Administrator OJJDP on the utilization of limited discretionary funding; places within OJJDP's National Institute of Juvenile Justice the responsibility to designate exemplary programs and deletes the set-aside requirements.

Section 1205—Authorization of Appropriation

Sec. 291 of the Juvenile Justice and Delinquency Prevention Act of 1974 (P.L. 94-415, 42 U.S.C. 5671) is amended to read as follows:

"To carry out the purposes of this subchapter (other than Part B and Part D),

there are authorized to be appropriated to carry out Part A and Part C, \$3,902,000 and \$7,250,000, respectively, for fiscal year 1993 and such sums as may be necessary for each of fiscal years 1994, 1995, and 1996. Funds appropriated for any fiscal year may remain available for obligation until expended."

This reauthorizes Title II excluding parts B and D for 1993 through 1996 for such sums as may be necessary. No authorization for parts B and D is requested, consistent with the Administration's FY 1993 budget request.

Section 1206—Duties and Functions of the Administrator

Sec. 404 of the Juvenile Justice and Delinquency Prevention Act of 1974 (P.L. 93-415, 42 U.S.C. 5773) is amended as follows:

(1) strike the word "nonprofit" after the words "agencies or" in subsection "(b)";

(2) redesignate subsection "(c)" as subsection "(d)";

(3) add a new subsection "(c)" to read as follows "The Administrator is authorized to conduct and support evaluations and studies of the performance and results achieved by Federal missing children's programs and activities and of the prospective performance and results that might be achieved by alternative programs and activities supplementary to or in lieu of those currently being administered," in lieu thereof.

The Administrator would be able to make awards to for profit organizations.

Section 1207—Grants

Sec. 405 of the Juvenile Justice and Delinquency Prevention Act of 1974 (P.L. 93-415, 42 U.S.C. 5775) is amended as follows:

(1) strike the words "agencies or nonprofit private organizations, or combinations thereof, for research" in subsection "(a)" after the word "public" and insert the words "or private agencies, organizations, institutions, or individuals to conduct research, evaluations, conferences" in lieu thereof;

The Administrator would be able to make awards to for profit organizations.

(2) strike subsection "(a)(4) (A) and (B)" and insert a new "(a)(4)" to read as follows "to prevent a child's abduction or exploitation and to increase knowledge of and develop effective treatment pertaining to the psychological consequences, on both parents and children, of a child's abduction or exploitation;" in lieu thereof.

This expands the role of OJJDP to include prevention as well as treatment and intervention programs.

(3) strike the word "and;" at the end of subsection "(a)(8)"

(4) strike the period and add the word "and;" at the end of subsection "(a)(9)"

(5) add subsection "(a)(10)" to read as follows: "to disseminate information, data, standards, advanced techniques, and program models to enhance the capability of public and private organizations to prevent child abductions and to assist in the location, recovery, family reunification, and treatment of the missing child."

This provides for dissemination of information concerning child abduction and exploitation.

Section 1208—Authorization of Appropriation

Sec. 407 of the Juvenile Justice and Delinquency Prevention Act of 1974 (P.L. 93-415, 42 U.S.C. 5777) is amended.

By Mr. D'AMATO:

S. 2916. A bill to amend chapter 11 of title 38, United States Code, to provide that veterans who are former prisoners of war shall be deemed to have a serv-

ice-connected disability rated as total for the purposes of determining the benefits due to such veterans; to the Committee on Veterans' Affairs.

DISABILITY RATING FOR FORMER PRISONERS OF WAR

• Mr. D'AMATO. Mr. President, I rise today to introduce a bill to provide comprehensive benefits to veterans who are former prisoners of war. This legislation—like its House companion, introduced by my colleague from New York, Congressman HAMILTON FISH—would provide 100 percent compensation for all former prisoners of war.

Medical science has demonstrated that the trauma of enduring even short periods of time as a prisoner of war can have severe long-lasting and late-developing effects. It is in recognition of the tremendous hardship endured by our former prisoners of war that I am introducing this legislation today. My bill would amend chapter 11 of title 38 of the United States Code to provide that all veterans who are former prisoners of war will be deemed to have a 100 percent disability for the purpose of determining their veteran's benefits. It will provide these benefits regardless of the war or conflict in which the veteran served.

Mr. President, other nations provide their POW veterans with comprehensive benefits. Isn't it time—as we mark the 50th anniversary of the Bataan Death March—for our Nation to offer full benefits to its former POWs? With more than 99 percent of all former POW's approaching the age of 70, it is urgent that we enact this legislation without delay so that they may enjoy the benefits they are due.

Mr. President, I have always supported our veterans to the highest degree. Nothing is more noble than to dedicate one's life to the defense of his country. Yet when it comes to compensating those servicemen and women who have sustained the hardship of imprisonment at the hands of our enemies, we have fallen woefully short.

It is time to correct this injustice. It may be late, but it's better late than never. I urge my colleagues to join as cosponsors of this bill, and I urge its swift passage. Hopefully, we can join together to do at least this much for our former POW's.

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. 2914

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DISABILITY RATING FOR FORMER PRISONERS OF WAR.

(a) RATING OF DISABILITY.—Chapter 11 of title 38, United States Code, is amended—

(1) by striking subsection (b) of section 1112;

(2) by redesignating subsection (c) of section 1112 as subsection (b); and

(3) by inserting after section 1116 the following new section:

§1117. Disability rating for former prisoners of war

"A veteran who is a former prisoner of war shall be deemed to have a service-connected disability rated as total for the purpose of determining the benefits due such veteran under this title."

(b) AMENDMENTS TO TABLE OF SECTIONS.—The table of sections at the beginning of chapter 11 of title 38, United States Code, is amended by inserting after the item relating to section 1116 the following new item:

"1117 Disability rating for former prisoners of war."•

By Mr. COCHRAN:

S. 2917. A bill to amend the National School Lunch Act to authorize the Secretary of Agriculture to provide financial and other assistance to the University of Mississippi, in cooperation with the University of Southern Mississippi, to establish and maintain a food service management institute, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

FOOD SERVICE MANAGEMENT INSTITUTE

• Mr. COCHRAN. Mr. President, today I am pleased to introduce a bill which clarifies the administration of the Food Service Management Institute in Mississippi. This legislation is necessary to provide the Department of Agriculture the authority to make grants and/or enter into cooperative agreements for the specific purposes for which the institute was established. There is no additional cost associated with this bill.

In 1989, Public Law 101-147 authorized the establishment of a National Food Service Management Institute, and funding was provided in 1990. That act prescribed the functions and duties of the Institute, and it has been operating successfully for 2 years.

However, there are some concerns that make administration of the institute difficult. The legislation I am introducing will clarify the status and administration of the institute. Specifically, it authorizes the Secretary of Agriculture to provide financial and other assistance to the Institute established and maintained by the University of Mississippi, in cooperation with the University of Southern Mississippi. USDA does not have any current authority to make grants or enter into cooperative agreements for the purposes expressed for the Food Service Management Institute. Enactment of this legislation will enable the Institute to leverage its appropriated funds through gifts and private sector grants, as well as be eligible to compete for contracts with other Federal agencies.

Among the activities conducted by the institute thus far has been the development of a national satellite network for providing training and education to child nutrition program personnel. The first program was telecast on April 28, 1992, and was received in 49 states at more than 700 sites and viewed by an audience of about 20,000 personnel.

In addition, research is being conducted on the administrative and programmatic needs of child nutrition programs in relation to nutrition management of children with special needs, and a national workshop is scheduled for late October on this subject. Training and education related to Agriculture Secretary Madigan's goals for implementing the "Dietary Guidelines for Americans" is in progress. All of these activities and more have been successful.

The institute is fulfilling its congressional mandate to conduct activities to improve the quality and operation of the child nutrition programs. The legislation I am introducing today will clarify its administration and will help the Institute to build a "Better Future Through Child Nutrition Programs."

I hope we can act very quickly on this measure, and I urge my colleagues to support it.•

ADDITIONAL COSPONSORS

S. 89

At the request of Mr. DURENBERGER, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 89, a bill to amend the Internal Revenue Code of 1986 to permanently increase the deductible health insurance costs for self-employed individuals.

S. 1361

At the request of Ms. MIKULSKI, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 1361, a bill to remedy the serious injury to the United States shipbuilding and repair industry caused by subsidized foreign ships.

S. 1451

At the request of Mr. BIDEN, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of S. 1451, a bill to provide for the minting of coins in commemoration of Benjamin Franklin and to enact a fire service bill of rights.

S. 1627

At the request of Mr. FORD, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 1627, a bill to amend section 615 of title 38, United States Code, to require the Secretary of Veterans Affairs to permit persons who receive care at medical facilities of the Department of Veterans Affairs to have access to and to consume tobacco products.

S. 1838

At the request of Mr. PRYOR, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 1838, a bill to amend title XVIII of the Social Security Act to provide for a limitation on use of claim sampling to deny claims or recover overpayments under Medicare.

S. 1933

At the request of Mr. KENNEDY, the name of the Senator from Nebraska

[Mr. EXON] was added as a cosponsor of S. 1933, a bill to amend titles VII and VIII of the Public Health Service Act to reauthorize and extend programs under such titles, and for other purposes.

S. 2244

At the request of Mr. THURMOND, the names of the Senator from California [Mr. SEYMOUR], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Florida [Mr. MACK], the Senator from Kentucky [Mr. FORD], the Senator from Delaware [Mr. BIDEN], the Senator from New Hampshire [Mr. RUDMAN], the Senator from Oklahoma [Mr. NICKLES], the Senator from Rhode Island [Mr. PELL], and the Senator from New Mexico [Mr. DOMENICI] were added as cosponsors of S. 2244, a bill to require the construction of a memorial on Federal land in the District of Columbia or its environs to honor members of the Armed Forces who served in World War II and to commemorate United States participation in that conflict.

S. 2362

At the request of Mr. MCCAIN, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 2362, a bill to amend title XVIII of the Social Security Act to repeal the reduced Medicare payment provision for new physicians.

S. 2385

At the request of Mr. RIEGLE, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 2385, a bill to amend the Immigration and Nationality Act to permit the admission to the United States of nonimmigrant students and visitors who are the spouses and children of United States permanent resident aliens, and for other purposes.

S. 2387

At the request of Mr. LEAHY, the names of the Senator from Louisiana [Mr. JOHNSTON], the Senator from Rhode Island [Mr. PELL], and the Senator from Connecticut [Mr. LIEBERMAN] were added as cosponsors of S. 2387, a bill to make appropriations to begin a phase-in toward full funding of the special supplemental food program for women, infants, and children (WIC) and of Head Start programs, to expand the Job Corps program, and for other purposes.

S. 2560

At the request of Mr. SIMON, the names of the Senator from North Dakota [Mr. CONRAD], and the Senator from Nebraska [Mr. KERREY] were added as cosponsors of S. 2560, a bill to reclassify the cost of international peacekeeping activities from international affairs to national defense.

S. 2624

At the request of Mr. GLENN, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 2624, a bill to authorize

appropriations for the Interagency Council on the Homeless, the Federal Emergency Management Food and Shelter Program, and for other purposes.

S. 2632

At the request of Ms. MIKULSKI, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 2632, a bill to establish the National Environmental Technologies Agency.

S. 2644

At the request of Mrs. KASSEBAUM, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 2644, a bill to require the Secretary of Transportation to require passenger and freight trains to install and use certain lights for purposes of safety.

S. 2682

At the request of Mr. BUMPERS, the names of the Senator from Michigan [Mr. LEVIN], and the Senator from Tennessee [Mr. SASSER] were added as cosponsors of S. 2682, a bill to direct the Secretary of the Treasury to mint coins in commemoration of the 100th anniversary of the beginning of the protection of Civil War battlefields, and for other purposes.

S. 2696

At the request of Mr. DOMENICI, the names of the Senator from Hawaii [Mr. AKAKA], and the Senator from Arizona [Mr. DECONCINI] were added as cosponsors of S. 2696, a bill to establish a comprehensive policy with respect to the provision of health care coverage and services to individuals with severe mental illnesses, and for other purposes.

S. 2711

At the request of Mr. GLENN, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 2711, a bill to ensure the fair treatment of members of the Selected Reserve of the Ready Reserve of the Armed Forces who are adversely affected by certain reductions in the size of the reserve components of the Armed Forces.

S. 2836

At the request of Mr. MCCAIN, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 2836, a bill to promote economic development on Indian reservations by making loans to States to assist States in constructing roads on Indian reservations.

S. 2865

At the request of Mr. REID, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of S. 2865, a bill to provide assistance for workers adversely affected by a nuclear testing moratorium.

S. 2870

At the request of Mr. RUDMAN, the names of the Senator from North Dakota [Mr. BURDICK], the Senator from

North Dakota [Mr. CONRAD], the Senator from Michigan [Mr. LEVIN], the Senator from Arkansas [Mr. BUMPERS], the Senator from New Mexico [Mr. BINGAMAN], the Senator from New Jersey [Mr. BRADLEY], the Senator from Ohio [Mr. GLENN], the Senator from Colorado [Mr. WIRTH], the Senator from Maryland [Mr. SARBANES], and the Senator from South Dakota [Mr. DASCHLE] were added as cosponsors of S. 2870, a bill to authorize appropriations for the Legal Services Corporation, and for other purposes.

SENATE JOINT RESOLUTION 265

At the request of Mr. SEYMOUR, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of Senate Joint Resolution 265, a joint resolution to designate October 9, 1992, as "National School Celebration of the Centennial of the Pledge of Allegiance and the Quincentennial of the Discovery of America by Columbus Day."

SENATE JOINT RESOLUTION 278

At the request of Mr. DODD, the names of the Senator from Hawaii [Mr. INOUE], the Senator from Michigan [Mr. LEVIN], the Senator from North Dakota [Mr. BURDICK], the Senator from Tennessee [Mr. SASSER], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from New Jersey [Mr. BRADLEY], and the Senator from Washington [Mr. ADAMS] were added as cosponsors of Senate Joint Resolution 278, a joint resolution designating the week of January 3, 1993, through January 9, 1993, as "Braille Literacy Week."

SENATE JOINT RESOLUTION 292

At the request of Mr. SMITH, the name of the Senator from Virginia [Mr. ROBB] was added as a cosponsor of Senate Joint Resolution 292, a joint resolution to provide for the issuance of a commemorative postage stamp in honor of American prisoners of war and Americans missing in action.

SENATE CONCURRENT RESOLUTION 126

At the request of Mr. SHELBY, the names of the Senator from North Dakota [Mr. BURDICK], and the Senator from New York [Mr. D'AMATO] were added as cosponsors of Senate Concurrent Resolution 126, a concurrent resolution expressing the sense of the Congress that equitable mental health care benefits must be included in any health care reform legislation passed by the Congress.

SENATE RESOLUTION 301

At the request of Mr. SIMON, the names of the Senator from Massachusetts [Mr. KERRY], the Senator from Michigan [Mr. LEVIN], and the Senator from Tennessee [Mr. GORE] were added as cosponsors of Senate Resolution 301, a resolution relating to ongoing violence connected with apartheid in South Africa.

AMENDMENT NO. 2453

At the request of Mr. SPECTER his name was withdrawn as a cosponsor of

Amendment No. 2453 proposed to S. 2733, an original bill to improve the regulation of Government-sponsored enterprises.

AMENDMENTS SUBMITTED

FEDERAL HOUSING REGULATORY REFORM ACT

MITCHELL (AND SASSER) AMENDMENTS NOS. 2521 THROUGH 2524

(Ordered to lie on the table.)

Mr. MITCHELL (for himself and Mr. SASSER) submitted four amendments intended to be proposed by them to amendment No. 2447 proposed by Mr. SEYMOUR to the bill (S. 2733) to improve the regulation of Government-sponsored enterprises, as follows:

AMENDMENT NO. 2521

On page 1, in section 1 of the amendment, strike "by law".

AMENDMENT NO. 2522

On page 1, in section 2 of the amendment, strike "by law".

AMENDMENT NO. 2523

On page 2, in section 5 of the amendment, strike "by a joint resolution, adopted by a majority of the whole number of each House, which becomes law".

AMENDMENT NO. 2524

On page 2, in section 6 of the amendment, strike "by appropriate legislation, which" and insert "and".

GRAMM AMENDMENTS NOS. 2525 THROUGH 2533

(Ordered to lie on the table.)

Mr. GRAMM submitted nine amendments intended to be proposed by him to an amendment to the bill S. 2733, supra, as follows:

AMENDMENT NO. 2525

Strike all after the first word and insert in lieu thereof the following:

"the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years and one day after its submission to the States for ratification:

"ARTICLE—

"SECTION 1. Total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts by a roll call vote.

"SECTION 2. The limit on the debt of the United States held by the public shall not be increased, unless three-fifths of the whole number of each House shall provide by law for such an increase by a rollcall vote.

"SECTION 3. Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year, in which total outlays do not exceed total receipts.

"SECTION 4. No bill to increase revenue shall become law unless approved by a majority of the whole number of each House by a rollcall vote.

"SECTION 5. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law.

"SECTION 6. The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts.

"SECTION 7. Total receipts shall include all receipts of the United States Government except those derived from borrowing. Total outlays shall include all outlays of the United States Government except for those for repayment of debt principal.

"SECTION 8. This article shall take effect beginning with fiscal year 1998 or with the second fiscal year beginning after its ratification, whichever is earlier."

AMENDMENT NO. 2526

Strike all in the pending amendment and insert in lieu thereof the following:

"That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years and one day after its submission to the States for ratification:

"ARTICLE —

"SECTION 1. Total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts by a rollcall vote.

"SECTION 2. The limit on the debt of the United States held by the public shall not be increased, unless three-fifths of the whole number of each House shall provide by law for such an increase by a rollcall vote.

"SECTION 3. Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year, in which total outlays do not exceed total receipts.

"SECTION 4. No bill to increase revenue shall become law unless approved by a majority of the whole number of each House by a rollcall vote.

"SECTION 5. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law.

"SECTION 6. The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts.

"SECTION 7. Total receipts shall include all receipts of the United States Government except those derived from borrowing. Total outlays shall include all outlays of the United States Government except for those for repayment of debt principal.

"SECTION 8. This article shall take effect beginning with fiscal year 1998 or with the second fiscal year beginning after its ratification, whichever is earlier."

AMENDMENT NO. 2527

Strike all in the pending amendment after the word "on" in line 1, and insert in lieu thereof the following:

"That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years and one day after its submission to the States for ratification:

"ARTICLE —

"SECTION 1. Total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts by a rollcall vote.

"SECTION 2. The limit on the debt of the United States held by the public shall not be increased, unless three-fifths of the whole number of each House shall provide by law for such an increase by a rollcall vote.

"SECTION 3. Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year, in which total outlays do not exceed total receipts.

"SECTION 4. No bill to increase revenue shall become law unless approved by a majority of the whole number of each House by a rollcall vote.

"SECTION 5. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by the majority of the whole number of each House, which becomes law.

"SECTION 6. The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts.

"SECTION 7. Total receipts shall include all receipts of the United States Government except those derived from borrowing. Total outlays shall include all outlays of the United States Government except for those for repayment of debt principal.

"SECTION 8. This article shall take effect beginning with fiscal year 1998 or with the second fiscal year beginning after its ratification, whichever is earlier."

AMENDMENT NO. 2528

In lieu of the matter proposed to be inserted, insert the following:

"That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years and one day after its submission to the States for ratification:

"ARTICLE —

"SECTION 1. Total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts by a rollcall vote.

"SECTION 2. The limit on the debt of the United States held by the public shall not be increased, unless three-fifths of the whole number of each House shall provide by law for such an increase by a rollcall vote.

"SECTION 3. Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year, in which total outlays do not exceed total receipts.

"SECTION 4. No bill to increase revenue shall become law unless approved by a majority of the whole number of each House by a rollcall vote.

"SECTION 5. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law.

"SECTION 6. The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts.

"SECTION 7. Total receipts shall include all receipts of the United States Government except those derived from borrowing. Total outlays shall include all outlays of the United States Government except for those for repayment of debt principal.

"SECTION 8. This article shall take effect beginning with fiscal year 1998 or with the second fiscal year beginning after its ratification, whichever is earlier."

AMENDMENT NO. 2529

In lieu of the matter proposed to be inserted, insert the following:

"the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years and one day after its submission to the States for ratification:

"ARTICLE —

"SECTION 1. Total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts by a roll call vote.

"SECTION 2. The limit on the debt of the United States held by the public shall not be increased, unless three-fifths of the whole number of each House shall provide by law for such an increase by a rollcall vote.

"SECTION 3. Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year, in which total outlays do not exceed total receipts.

"SECTION 4. No bill to increase revenue shall become law unless approved by a majority of the whole number of each House by a rollcall vote.

"SECTION 5. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority

of the whole number of each House, which becomes law.

"SECTION 6. The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts.

"SECTION 7. Total receipts shall include all receipts of the United States Government except those derived from borrowing. Total outlays shall include all outlays of the United States Government except for those for repayment of debt principal.

"SECTION 8. This article shall take effect beginning with fiscal year 1998 or with the second fiscal year beginning after its ratification, whichever is earlier."

AMENDMENT NO. 2530

Strike all in the pending amendment and insert in lieu thereof the following:

"That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years and one day after its submission to the States for ratification:

"ARTICLE —

"SECTION 1. Total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts by a roll call vote.

"SECTION 2. The limit on the debt of the United States held by the public shall not be increased, unless three-fifths of the whole number of each House shall provide by law for such an increase by a rollcall vote.

"SECTION 3. Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year, in which total outlays do not exceed total receipts.

"SECTION 4. No bill to increase revenue shall become law unless approved by a majority of the whole number of each House by a rollcall vote.

"SECTION 5. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law.

"SECTION 6. The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts.

"SECTION 7. Total receipts shall include all receipts of the United States Government except those derived from borrowing. Total outlays shall include all outlays of the United States Government except for those for repayment of debt principal.

"SECTION 8. This article shall take effect beginning with fiscal year 1998 or with the second fiscal year beginning after its ratification, whichever is earlier."

AMENDMENT NO. 2531

Strike all after the first word in the pending amendment and insert in lieu thereof the following:

"the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the constitution if

ratified by the legislatures of three-fourths of the several States within seven years and one day after its submission to the States for ratification:

"ARTICLE —

SECTION 1. Total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts by a rollcall vote.

"SECTION 2. The limit on the debt of the United States held by the public shall not be increased, unless three-fifths of the whole number of each house shall provide by law for such an increase by a rollcall vote.

"SECTION 3. Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year, in which total outlays do not exceed total receipts.

"SECTION 4. No bill to increase revenue shall become law unless approved by a majority of the whole number of each House by a rollcall vote.

"SECTION 5. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law.

"SECTION 6. The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts.

"SECTION 7. Total receipts shall include all receipts of the United States government except those derived from borrowing. Total outlays shall include all outlays of the United States Government except for those for repayment of debt principal.

"SECTION 8. This article shall take effect beginning with fiscal year 1998 or with the second fiscal year beginning after its ratification, whichever is earlier."

AMENDMENT NO. 2532

Strike all in the pending amendment and insert in lieu thereof the following:

"That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years and one day after its submission to the States for ratification:

"ARTICLE —

"SECTION 1. Total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts by a roll call vote.

"SECTION 2. The limit on the debt of the United States held by the public shall not be increased, unless three-fifths of the whole number of each House shall provide by law for such an increase by a rollcall vote.

"SECTION 3. Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year, in which total outlays do not exceed total receipts.

"SECTION 4. No bill to increase revenue shall become law unless approved by a majority of the whole number of each House by a rollcall vote.

"SECTION 5. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law.

"SECTION 6. The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts.

"SECTION 7. Total receipts shall include all receipts of the United States Government except those derived from borrowing. Total outlays shall include all outlays of the United States Government except those for repayment of debt principal.

"SECTION 8. This article shall take effect beginning with fiscal year 1998 or with the second fiscal year beginning after its ratification, whichever is earlier."

AMENDMENT NO. 2533

Strike all after the enacting clause and insert in lieu thereof the following:

"That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years and one day after its submission to the States for ratification:

"ARTICLE —

"SECTION 1. Total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts by a roll call vote.

"SECTION 2. The limit on the debt of the United States held by the public shall not be increased, unless three-fifths of the whole number of each House shall provide by law for such an increase by a rollcall vote.

"SECTION 3. Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year, in which total outlays do not exceed total receipts.

"SECTION 4. No bill to increase revenue shall become law unless approved by a majority of the whole number of each House by a rollcall vote.

"SECTION 5. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law.

"SECTION 6. The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts.

"SECTION 7. Total receipts shall include all receipts of the United States Government except those derived from borrowing. Total outlays shall include all outlays of the United States Government except for those for repayment of debt principal.

"SECTION 8. This article shall take effect beginning with fiscal year 1998 or with the second fiscal year beginning after its ratification, whichever is later."

MITCHELL (AND SASSER) AMENDMENTS NOS. 2534 THROUGH 2642

(Ordered to lie on the table.)

Mr. MITCHELL (for himself and Mr. SASSER) submitted 109 amendments intended to be proposed by them to an amendment to the bill S. 2733, supra, as follows:

AMENDMENT NO. 2534

After "the disbursements of the", insert the following: "the Unemployment Trust Fund."

AMENDMENT NO. 2535

After "the disbursements of the", insert the following: "the Highway Trust Fund, the Airport and Airway Trust Fund."

AMENDMENT NO. 2536

After "the disbursements of the", insert the following: "the Military Retirement Trust Fund, the Civil Service Retirement and Disability Trust Fund, the Foreign Service Retirement and Disability Trust Fund, the Judicial Officers' Retirement Trust Fund."

AMENDMENT NO. 2537

After "the disbursements of the", insert the following: "the Federal Hospital Insurance Trust Fund, the Federal Supplementary Medical Insurance Trust Fund."

AMENDMENT NO. 2538

After "the disbursements of the", insert the following: "Black Lung Disability Trust Fund."

AMENDMENT NO. 2539

After "trust fund", insert the following: "the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund"

AMENDMENT NO. 2540

After "trust fund," insert the following: "the Unemployment Trust Fund"

AMENDMENT NO. 2541

After "trust fund", insert the following: "the Highway Trust Fund, the Airport and Airway Trust Fund."

AMENDMENT NO. 2542

After "trust fund", insert the following: "the Military Retirement Trust Fund, the Civil Service Retirement and Disability Trust Fund, the Foreign Service Retirement and Disability Trust Fund, the Judicial Officers' Retirement Trust Fund"

AMENDMENT NO. 2543

After "trust fund", insert the following: "the Federal Hospital Insurance Trust Fund, the Federal Supplementary Medical Insurance Trust Fund"

AMENDMENT NO. 2544

After "trust fund", insert the following: "Black Lung Disability Trust Fund"

AMENDMENT NO. 2545

After "trust fund", insert the following: "Federal emergency disaster relief funds"

AMENDMENT NO. 2546

After "trust fund", insert the following: "or veterans' compensation benefits"

AMENDMENT NO. 2547

After "trust fund", insert the following: "veterans' pensions"

AMENDMENT NO. 2548

After "trust fund", insert the following: "Medicaid"

AMENDMENT NO. 2549

After "trust fund", insert the following: "farm price supports"

AMENDMENT NO. 2550

After "trust fund", insert the following: "food stamps"

AMENDMENT NO. 2551

After "trust fund", insert the following: "Aid to Families with Dependent Children"

AMENDMENT NO. 2552

After "trust fund", insert the following: "child nutrition"

AMENDMENT NO. 2553

After "trust fund", insert the following: "Supplemental Security Income"

AMENDMENT NO. 2554

After "trust fund", insert the following: "the highway trust fund"

AMENDMENT NO. 2555

After "trust fund", insert the following: "the airport trust fund"

AMENDMENT NO. 2556

After "trust fund", insert the following: "the Military Retirement Trust Fund"

AMENDMENT NO. 2557

After "trust fund", insert the following: "the Civil Service Retirement and Disability Trust Fund"

AMENDMENT NO. 2558

After "trust fund", insert the following: "the Foreign Service Retirement and Disability Trust Fund"

AMENDMENT NO. 2559

After "trust fund", insert the following: "the Judicial Officers' Retirement Trust Fund"

AMENDMENT NO. 2560

After "trust fund", insert the following: "the Postal Service"

AMENDMENT NO. 2561

After "trust fund", insert the following: "Federal emergency disaster relief funds"

AMENDMENT NO. 2562

In lieu of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2563

At the end of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2564

At the end of the matter proposed to be inserted in the amendment, insert the following: "Congress may not decrease below current services levels the disbursements of the Federal Old-age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2565

In lieu of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the Unemployment Trust Fund and any successor fund shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2566

At the end of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the Unemployment Trust Fund and any successor fund shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2567

In lieu of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the highway and airport trust funds, and any successor fund, shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2568

At the end of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the highway and airport trust funds, and any successor fund, shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2569

In lieu of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the highway trust fund and any successor fund shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2570

At the end of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the highway trust fund and any successor fund shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2571

In lieu of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the airport trust fund and any successor fund shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2572

At the end of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the airport trust fund and any successor fund shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2573

In lieu of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the Military Retirement Trust Fund, the Civil Serv-

ice Retirement and Disability Trust Fund, the Foreign Service Retirement and Disability Trust Fund, and the Judicial Officers' Retirement Trust Fund, and any successor fund, shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2574

At the end of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the Military Retirement Trust Fund, the Civil Service Retirement and Disability Trust Fund, the Foreign Service Retirement and Disability Trust Fund, and the Judicial Officers' Retirement Trust Fund, and any successor fund, shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2575

In lieu of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the Military Retirement Trust Fund and any successor fund shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2576

At the end of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the Military Retirement Trust Fund and any successor fund shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2577

In lieu of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the Civil Service Retirement and Disability Trust Fund and any successor fund shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2578

At the end of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the Civil Service Retirement and Disability Trust Fund and any successor fund shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2579

In lieu of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the Judicial Officers' Retirement Trust Fund and any successor fund shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2580

At the end of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the Judicial Officers' Retirement Trust Fund and any successor fund shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2581

In lieu of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the Foreign Service Retirement and Disability Trust Fund and any successor fund shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2582

At the end of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the For-

ign Service Retirement and Disability Trust Fund and any successor fund shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2583

In lieu of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the Postal Service shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2584

At the end of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the Postal Service shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2585

In lieu of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the Federal Hospital Insurance Trust Fund, the Federal Supplementary Medical Insurance Trust Fund, and any successor fund, shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2586

At the end of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the Federal Hospital Insurance Trust Fund, the Federal Supplementary Medical Insurance Trust Fund, and any successor fund, shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2587

In lieu of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the Black Lung Disability Trust Fund and any successor fund shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2588

At the end of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of the Black Lung Disability Trust Fund and any successor fund shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2589

In lieu of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of Federal emergency disaster relief funds shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2590

At the end of the matter proposed to be inserted by the amendment, insert the following: "Receipts and disbursements of Federal emergency disaster relief funds shall not be counted as receipts or outlays of the United States."

AMENDMENT NO. 2591

In lieu of the matter proposed to be inserted by the amendment, insert the following:

"The Congress may by concurrent resolution appoint an officer who shall have sole authority to determine whether the provisions of this article and legislation to enforce the provisions of this article have been complied with."

AMENDMENT NO. 2592

At the end of the matter proposed to be inserted by the amendment, insert the following:

"The Congress may by concurrent resolution appoint an officer who shall have sole authority to determine whether the provisions of this article and legislation to enforce the provisions of this article have been complied with."

AMENDMENT NO. 2593

In lieu of the matter proposed to be inserted by the amendment, insert the following: "The Congress may by appropriate legislation designate who shall have sole authority to determine whether the provisions of this article and legislation to enforce the provisions of this article have been complied with."

AMENDMENT NO. 2594

At the end of the matter proposed to be inserted by the amendment, insert the following: "The Congress may by appropriate legislation designate who shall have sole authority to determine whether the provisions of this article and legislation to enforce the provisions of this article have been complied with."

AMENDMENT NO. 2595

In lieu of the matter proposed to be inserted by the amendment, insert the following: "The Comptroller General shall determine whether the provisions of this article and legislation to enforce the provisions of this article have been complied with."

AMENDMENT NO. 2596

At the end of the matter proposed to be inserted by the amendment, insert the following: "The Comptroller General shall determine whether the provisions of this article and legislation to enforce the provisions of this article have been complied with."

AMENDMENT NO. 2597

In lieu of the matter proposed to be inserted by the amendment, insert the following: "This article shall be suspended for any fiscal year and the first fiscal year thereafter if a declaration of war is in effect or if the Chief Financial Officer estimates that the Nation will be in a period of recession during that fiscal year."

AMENDMENT NO. 2598

At the end of the matter proposed to be inserted by the amendment, insert the following: "This article shall be suspended for any fiscal year and the first fiscal year thereafter if a declaration of war is in effect or if the Chief Financial Officer estimates that the Nation will be in a period of recession during that fiscal year."

AMENDMENT NO. 2599

In lieu of the matter proposed to be inserted by the amendment, insert the following:

"This article shall be suspended for any fiscal year and the first fiscal year thereafter if a declaration of war is in effect or if the President, the Comptroller General, or the Congressional Budget Office estimates that real economic growth will be less than one percent for two consecutive quarters during the period of those two fiscal years. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an

imminent and serious military threat to national security and it is so declared by a joint resolution, adopted by a majority of the whole number of each House of Congress, that becomes law."

AMENDMENT NO. 2600

At the end of the matter proposed to be inserted by the amendment, insert the following:

"This article shall be suspended for any fiscal year and the first fiscal year thereafter if a declaration of war is in effect or if the President, the Comptroller General, or the Congressional Budget Office estimates that real economic growth will be less than one percent for two consecutive quarters during the period of those two fiscal years. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and it is so declared by a joint resolution, adopted by a majority of the whole number of each House of Congress, that becomes law."

AMENDMENT NO. 2601

In lieu of the matter proposed to be inserted by the amendment, insert the following:

"This article shall be suspended for any fiscal year and the first fiscal year thereafter if a declaration of war is in effect or if the Congress by concurrent resolution or the President finds that real economic growth will be less than one percent for two consecutive quarters during the period of those two fiscal years."

AMENDMENT NO. 2602

At the end of the matter proposed to be inserted by the amendment, insert the following:

"This article shall be suspended for any fiscal year and the first fiscal year thereafter if a declaration of war is in effect or if the Congress by concurrent resolution or the President finds that real economic growth will be less than one percent for two consecutive quarters during the period of those two fiscal years."

AMENDMENT NO. 2603

In lieu of the matter proposed to be inserted by the amendment, insert the following: "The Congress may waive the provisions of this article for any fiscal year when necessary to prevent the rate of unemployment from exceeding 10 percent".

AMENDMENT NO. 2604

At the end of the matter proposed to be inserted by the amendment, insert the following: "The Congress may waive the provisions of this article for any fiscal year when necessary to prevent the rate of unemployment from exceeding 10 percent".

AMENDMENT NO. 2605

In lieu of the matter proposed to be inserted by the amendment, insert the following: "The Congress may waive the provisions of this article for any fiscal year when necessary to prevent the rate of unemployment from exceeding 15 percent".

AMENDMENT NO. 2606

At the end of the matter proposed to be inserted by the amendment, insert the following: "The Congress may waive the provisions of this article for any fiscal year when nec-

essary to prevent the rate of unemployment from exceeding 15 percent".

AMENDMENT NO. 2607

In lieu of the matter proposed to be inserted by the amendment, insert the following: "The Congress may waive the provisions of this article for any fiscal year when necessary to prevent the rate of unemployment from exceeding 20 percent".

AMENDMENT NO. 2608

At the end of the matter proposed to be inserted by the amendment, insert the following: "The Congress may waive the provisions of this article for any fiscal year when necessary to prevent the rate of unemployment from exceeding 20 percent".

AMENDMENT NO. 2609

In lieu of the matter proposed to be inserted by the amendment, insert the following: "This article shall be enforced only in accordance with appropriate legislation enacted by Congress."

AMENDMENT NO. 2610

At the end of the matter proposed to be inserted by the amendment, insert the following: "This article shall be enforced only in accordance with appropriate legislation enacted by Congress."

AMENDMENT NO. 2611

In lieu of the matter proposed to be inserted by the amendment, insert the following: "This article shall be enforced only in accordance with the exercise of congressional and executive powers under the first and second articles."

AMENDMENT NO. 2612

At the end of the matter proposed to be inserted by the amendment, insert the following: "This article shall be enforced only in accordance with the exercise of congressional and executive powers under the first and second articles."

AMENDMENT NO. 2613

In lieu of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements of the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, or any successor fund, unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2614

At the end of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements of the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, or any successor fund, unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2615

In lieu of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements of the Un-

employment Trust Fund unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2616

At the end of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements of the Unemployment Trust Fund unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2617

In lieu of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements of veterans' compensation benefits unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2618

At the end of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements of veterans' compensation benefits unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2619

In lieu of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements of veterans' pensions unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2620

At the end of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements of veterans' pensions unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2621

In lieu of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements of the Federal Hospital Insurance Trust Fund, the Federal Supplemental Medical Insurance Trust Fund, or any successor fund, unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2622

At the end of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements of the Federal Hospital Insurance Trust Fund, the Federal Supplementary Medical Insurance Trust Fund, or any successor fund, unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2623

In lieu of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements of the Highway Trust Fund, the Airport and Airway Trust Fund, or any successor trust fund, unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2624

In lieu of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements of the Military Retirement Trust Fund, the Civil Service Retirement and Disability Trust Fund, the Foreign Service Retirement and Disability Trust Fund, the Judicial Officers' Retirement Trust Fund, or any successor trust fund unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2625

In lieu of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements of the Black Lung Disability Trust Fund or any successor trust fund unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2626

In lieu of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements for Medicaid unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2627

In lieu of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements for farm price supports unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2628

In lieu of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursement for food

stamps unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2629

In lieu of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements for Aid to Families with Dependent Children unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2630

In lieu of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements for child nutrition unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2631

In lieu of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements for Supplemental Security Income unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2632

In lieu of the matter proposed to be inserted by the amendment, insert the following:

"Congress may provide for payments to foreign states or persons only with the concurrence of three fifths of the Members of the House of Representatives and the Senate, duly chosen and sworn."

AMENDMENT NO. 2633

At the end of the matter proposed to be inserted by the amendment, insert the following:

"Congress may provide for payments to foreign states or persons only with the concurrence of three fifths of the Members of the House of Representatives and the Senate, duly chosen and sworn."

AMENDMENT NO. 2634

At the end of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements of the Highway Trust Fund, the Airport and Airway Trust Fund, or any successor trust fund, unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2635

At the end of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements of the Military Retirement Trust Fund, the Civil Service Retirement and Disability Trust Fund, the Foreign Service Retirement and Disability Trust Fund, the Judicial Officers' Retirement Trust Fund, or any successor trust fund unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

At the end of the matter proposed to be inserted by the amendment, insert the following:

AMENDMENT NO. 2636

At the end of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements of the Black Lung Disability Trust Fund or any successor trust fund unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2637

At the end of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements for Medicaid unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2638

At the end of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements for farm price supports unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2639

At the end of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements for food stamps unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2640

At the end of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements for Aid to Families with Dependent Children unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2641

At the end of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements for child nutrition unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

AMENDMENT NO. 2642

At the end of the matter proposed to be inserted by the amendment, insert the following:

"Congress may not decrease below current services levels the disbursements for Supplemental Security Income unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific decreases and such bill has become law."

**FREEDOM FOR RUSSIA AND
EMERGING EURASIAN DEMOC-
RACIES AND OPEN MARKETS
SUPPORT ACT**

**PRESSLER AMENDMENTS NOS. 2643
AND 2644**

(Ordered to lie on the table.)

Mr. PRESSLER submitted two amendments intended to be proposed by him to the bill (S. 2532) entitled the "Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act," as follows:

AMENDMENT NO. 2643

On page 52, after line 13, add the following new section:

SEC. . POLICY TOWARD MOLDOVA.

(a) FINDINGS.—The Congress finds that—

(1) many, including civilians, have died in conflict in Moldova in recent weeks;

(2) on June 17, 1992, Presidents Bush and Yeltsin signed a Charter for American-Russian Partnership and Friendship in which the countries agreed to "reaffirm their respect for the independence and sovereignty and the existing borders of the CSCE-participating states, including the new independent states, and recognize that border changes can be made only by peaceful and consensual means, in accordance with the rules of international law and the principles of CSCE";

(3) actions by Transdniestrian officials for secession from Moldova, including their use of force and the imposition of an economic blockade, violate CSCE principles and international law;

(4) the presence of the Russian 14th army in Moldova and the use of at least some of its units in the Moldovan conflict aggravates the situation, violates international law and the independence and sovereignty of the Republic of Moldova;

(5) the presence of the Russian army in foreign countries formerly part of the Soviet Union without the agreement of the host country is a potential cause of instability and conflict; and

(6) the appointment of international observers, under the aegis of the United Nations, the CSCE, or other international fora to monitor the withdrawal of Russian troops from Moldova would serve to lessen tensions and promote a more orderly withdrawal of former Soviet troops.

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

(1) the United States should urge, through all possible means, the Russian Government to withdraw the 14th army from the independent and sovereign state of the Republic of Moldova;

(2) the United States should urge the parties to the conflict in Moldova to abide by a cease-fire and urge an end to the economic blockade of the Republic of Moldova;

(3) during and after the negotiating process on a timetable for the withdrawal of Russian

armed forces from Moldova, the United States should support the establishment of a joint military monitoring committee consisting of representatives of the military of all affected states, the United States, and the representatives of other countries, as mutually agreed upon, to observe the orderly and expeditious withdrawal of former Soviet troops from Moldova; and

(4) the activities of this group should be similar to the greatest extent practicable to the activities of the Joint Military Monitoring Committee on Angola.

AMENDMENT NO. 2644

On page 52, after line 13, add the following new section:

SEC. 21. RUBLE STABILIZATION.

(a) FINDINGS.—The Congress finds that—

(1) the lack of a convertible currency is a significant obstacle to the achievement of economic growth and a barrier to United States trade and investment in the independent states of the former Soviet Union;

(2) due to the nature of the Communist economic system, the economies of the states of the former Soviet Union have inherited a monetary system in which the ruble remains the medium of commerce and trade;

(3) the sovereign states of Estonia, Latvia, and Lithuania have indicated their intent to issue, or have issued, currencies independent of the Russian ruble;

(4) the sovereign state of Ukraine, as well as other states of the former Soviet Union, have indicated their desire to issue separate currencies independent of the Russian ruble;

(5) the International Monetary Fund requires control of fiscal and monetary policy as well as the establishment of a commercial banking system and a central bank compatible with international norms, as a prerequisite for a stabilization fund;

(6) section 10(b) of this Act states that the United States will support the establishment of a fund or, alternatively, funds, under the International Monetary Fund;

(7) the introduction of a stabilization fund for the Russian ruble without similar stabilization programs for the Ukrainian grivna, Lithuanian litas, Latvian lett, Estonian kroon, and other currencies issued by states currently tied economically to the ruble could precipitate disastrous fiscal and monetary conditions, including higher inflation, devaluation of property, commodity hoarding, shortages, and a further decline in agricultural and industrial production that will complicate the steps these governments have taken toward genuine market reform; and

(8) Article IV, section 1, subsection (iii) of the IMF Articles of Agreement states that each member shall "avoid manipulating exchange rates or the international monetary system in order to prevent effective balance of payments adjustment or to gain an unfair competitive advantage over other members".

(b) POLICY.—It is the sense of the Congress that the President should urge the Secretary of the Treasury to instruct the United States executive director to the International Monetary Fund to take concrete steps to support the right of these sovereign and independent states to issue currencies independent of the Russian ruble.

Mr. PRESSLER. Mr. President, tomorrow the Senate will continue consideration of S. 2532, the Freedom Support Act of 1992. I believe the Senate must be careful in its consideration of this bill. Although well intentioned,

this bill is currently flawed. It is my hope it can be improved during consideration by the full Senate.

For this reason, I plan to offer several amendments on the floor. One amendment, sponsored by Senator DECONCINI and myself, requires the President to certify that significant progress has been made on troop withdrawal from the Baltic States before United States taxpayer assistance can be granted to Russia. This prudent standard must not be compromised.

Another amendment concerns the tragic situation in the Republic of Moldova. It calls for United States support for the withdrawal of the Russian Army from Moldova and upholds the CSCE principle that borders must not be changed by force.

A third amendment is designed partially to remind the Senate that this is not only a Russian aid bill. I remember when the distinguished minority leader, Senator DOLE, introduced S. 9 at the beginning of the 102d Congress. His bill was an attempt to remind the State Department that assistance efforts to the then Soviet Union and Yugoslavia should not be monopolized by Russia and Serbia. His reasoning was absolutely correct then and it remains pertinent today. Fifteen countries suffered during the Soviet empire. Today, several of them, most notably the Baltic States and Ukraine, have issued, or plan to issue, their own currencies. They have asked for United States and IMF support of their efforts. My amendment urges the U.S. representative to the IMF to take concrete steps to support their efforts to return to the world financial community.

MANUFACTURING STRATEGY ACT**METZENBAUM AMENDMENT NO.**

2645

Mr. FORD (for Mr. METZENBAUM) proposed an amendment to the bill (S. 1330) to enhance the productivity, quality, and competitiveness of United States industry through the accelerated development and deployment of advanced manufacturing technologies, and for other purposes; as follows:

At the end of the bill, add the following new subsection:

(c) APPLICATION OF ANTITRUST LAWS.—Nothing in this Act shall be construed to create any immunity to any civil or criminal action under any Federal or State antitrust law, or to alter or restrict in any manner the applicability of any Federal or State antitrust law.

NOTICES OF HEARINGS**COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY**

Mr. LEAHY. Mr. President, I would like to announce that the hearing that the Senate Committee on Agriculture,

Nutrition, and Forestry, had scheduled for Thursday, July 2, 1992, at 9:30 a.m., in SR-332 concerning cosmetic standards and pesticide use on fruits and vegetables, has been rescheduled for Thursday, July 30, 1992, at 9:30 a.m., in SR-332. Senator WYCHE FOWLER will preside.

For further information please contact Woody Vaughan of the Agriculture Committee staff at extension 4-5207.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON HEALTH FOR FAMILIES AND THE UNINSURED

Mr. FORD. Mr. President, I ask unanimous consent that the Subcommittee on Health for Families and the Uninsured of the Committee on Finance be authorized to meet during the session of the Senate on June 30, 1992. At 2:30 p.m. to hold a hearing on access to health care for those who live far from doctors and treatment centers.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, June 30, at 2:30 p.m. to hold hearings on Treaty Doc. 102-20, Treaty between the United States and the U.S.S.R. on the reduction and limitation of strategic offensive arms—the START Treaty—and protocol thereto dated May 23, 1992, Treaty Doc. 102-32.

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

COMMITTEE ON VETERANS' AFFAIRS

Mr. FORD. Mr. President, the Committee on Veterans' Affairs would like to request unanimous consent to hold a hearing on the needs of women veterans who were sexually abused during service. The hearing will be held at 10:15 a.m. on June 30, 1992, in room 50 on the ground floor of the Dirksen Building.

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

SUBCOMMITTEE ON DISABILITY POLICY

Mr. FORD. Mr. President, I ask unanimous consent that the Subcommittee on Disability Policy of the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Tuesday, June 30, 1992, at 9 a.m., for a hearing on the reauthorization of the Rehabilitation Act of 1973.

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

SUBCOMMITTEE ON HOUSING AND URBAN AFFAIRS

Mr. FORD. Mr. President, I ask unanimous consent that the Subcommittee on Housing and Urban Affairs of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on

Tuesday, June 30, 1992, at 10 a.m., to conduct a hearing on the status of HUD reform and to receive and review the HUD Office of Inspector General's semiannual report.

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

SUBCOMMITTEE ON ENERGY AND WATER DEVELOPMENT AND COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources and the Subcommittee on Energy and Water Development of the Committee on Appropriations be authorized to meet during the session of the Senate, 9:30 a.m., June 30, 1992, to receive testimony on the superconducting super collider.

The PRESIDING OFFICER. Without objection it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation and the National Ocean Policy Study, be authorized to meet during the session of the Senate on June 30, 1992, at 10 a.m. on S. 2538—Consumer Seafood Safety Act.

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

COMMITTEE ON THE JUDICIARY

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, June 30, 1992, at 2 p.m. to hold an oversight hearing on the Department of Justice.

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

ADDITIONAL STATEMENTS

A TRIBUTE TO IRA BORNSTEIN

• Mr. DIXON. Mr. President, I rise today to pay tribute to a man that I know and respect, Ira Bornstein of Argonne National Laboratory in Illinois, who has received the L'Ordre des Palmes Academiques, a decoration that exemplifies outstanding service achieved in the field of education.

The French Minister of National Education has presented this honor to Ira for his notable accomplishment in education and in the continual advancement of studies in both the literary and artistic fields.

During the past 16 years, Ira Bornstein has coordinated an extensive student exchange program, which places engineering and science students from American universities in France, Germany, Japan, and Mexico and students from those countries come to the United States to work on summer assignments at Argonne National Laboratory. Some of the main sponsors of this program are the American Nuclear Society [ANS], the European Nuclear

Society [ENS], Argonne National Laboratory [ANL], and the Department of Energy [DOE]. These young men and women receive hands-on experience dealing with the detailed technical work in a foreign country, and the cooperation and good will that results is something in which we, as United States citizens, can take much pride.

I am proud to pay tribute to Ira for his commitment to excellence. Furthermore, I am pleased to personally acknowledge this gentleman's dedication to the improvement of our country's education. Ira Bornstein represents a continuing symbol of hope for our future. •

S. 2236, THE VOTING RIGHTS ACT LANGUAGE AMENDMENTS

• Mr. D'AMATO. Mr. President, I rise to cosponsor legislation, S. 2236, the Voting Rights Act Language Amendments of 1992. The right of vote is a cornerstone of our democratic system in the United States. However, many language-minority citizens are unable to partake in this right simply because they do not possess the necessary knowledge of the English language to understand a ballot. This bill will address this inequity.

S. 2236 reauthorizes section 203 of the Voting Rights Act, which grants bilingual voting assistance for native American, Asian-American, and Hispanic-American citizens. Such assistance occurs when 5 percent of the voting age citizens in a county are members of a single language minority who do not sufficiently speak nor understand English. This legislation extends section 203 of the Voting Rights Act for a period of 15 years.

In addition, the bill includes a provision to assist large concentrations of language minorities that do not make up 5 percent of the voting age population and are located in heavily populated counties. Under the provision, bilingual ballot access would be made available to language minority group which exceed 10,000 individuals in a county. For example, in Queens County, NY, there are over 50,000 Hispanic-American and over 19,000 Chinese-American citizens who do not speak English well, but are excluded from bilingual ballot access because each total is below the required 5 percent of the county's voting age population. This provision will guarantee that significant concentrations of citizens from language-minority groups are granted bilingual ballot access.

Mr. President, the right to vote is one of the fundamental rights that we enjoy as citizens. We should not establish impediments to those who have this right, but because of their language skills, are unable to take advantage of this right. By reauthorizing section 203 of the Voting Rights Act, and especially with the inclusion of the

10,000 person threshold for bilingual ballot access in large counties, we have the opportunity to increase voter participation in our democracy. This is a goal that all can support. I urge my colleagues to join me in cosponsoring this important legislation.●

CONGRESSIONAL COMPLIANCE WITH THE ADA

● Mr. PACKWOOD. Mr. President, if there is one thing certain to raise the ire of our constituents, it is that Congress exempts itself from certain laws it imposes on others.

This practice, particularly prevalent in the areas of labor and civil rights laws, creates public frustration with Congress. It gives weight to arguments that Members of Congress do not understand their constituents' problems. But much worse than the image created, is the reality created. Exemption from Federal laws denies legal protection or recourse to many of our employees and visitors.

My colleagues all know the Federal laws of which I speak: OSHA, Fair Labor Standards Act, title VII of the Civil Rights Act, to name a few. I have spoken before about congressional accountability to the Federal employment laws it rightly sets, and today I want to look at one other example of Congress lagging when it should be leading. I want to speak about Congress failure to comply with provisions in the Americans With Disabilities Act, the ADA.

As a cosponsor of this important piece of legislation, and as an employer and friend of someone with a mobility impairment, this is an important issue to me.

The purpose of the ADA is to allow full participation in American life for our disabled citizens. Beyond being a matter of justice for them, it is of critical importance to us all that our society not be denied the productivity and contributions of everyone.

The ADA calls for the promulgation of regulations mandated to cities, municipalities, States, and businesses of all sizes, in all areas of our country. While everyone must follow these rules, Congress treats them more like guidelines than mandates.

Congress is not exempt from any of the ADA's regulations. It is, however, shielded from the lawsuits which give urgency to reaching compliance. As I have indicated in the past, I have a clear philosophical problem with Congress avoiding responsibilities placed on every other American. There is no excuse for Congress to protect all workers except its own.

On March 3 of this year, my respected friend from Arizona, Senator MCCAIN, addressed the Senate on congressional compliance with the ADA. He did not call for a radical change. He called for fairness, for the removal of

inconveniences to people with disabilities, and for respect to laws which we rightly mandated to our constituents.

Senator MCCAIN cited areas where Congress is not in compliance with ADA code. He proposed holding open hearings before the Senate Rules Committee—to gather information and grievances, and to help guide our progress toward compliance. Such hearings would be consistent with the ADA outline to resolve problems through conciliation before litigation. Open hearings would be the best way for Congress to learn where it falls short of expectations, and to discuss how to improve our efforts to comply.

I mentioned a moment ago that I became interested in this issue after speaking with Senate employees who use wheelchairs. If I may take a moment, I would like to offer some examples of noncompliance which I learned of from my friend and former employee Joani Wales, who works in the Commerce Committee, and from Pat Geren, a Senior Citizen Intern from Oregon who worked in my office this spring.

As my colleagues may know, there is a code book—the Uniform Federal Accessibility Standards—which outlines the regulations set in the ADA. These codes identify such diverse requirements as the placement of ramps and curb cuts, the availability of restrooms adequate for people with impairments, and the percentage of parking places which must be reserved for people with disabilities.

Let us just look at one example—parking spaces. For the 4,029 parking spaces operated by the Senate, a total of 50 should be permanently reserved for disabled parking. Yet, do you know how many actually are reserved? Only four. Four spaces out of 4,029.

This is an exemption that cannot be taken by a city leader in Myrtle Point, OR, or by a businessperson in Portland. My constituents must comply with the ADA. And so should Congress.

In addition to the parking problem, I have a list which was put together by several Hill staffers with disabilities. They offered many examples, such as: inaccessibility to the subway cars which link the Capitol to Senate office buildings, limited availability of restrooms which meet ADA requirements, and lack of flush curb cuts in important locations.

I know that the Architect of the Capitol is working to come into compliance with aspects of the ADA. But the fact is, we are past the January 26 deadline for compliance, there are areas which need improvement, and we have a long way to go.

Mr. President, we should be leaders in offering Americans the benefits of the law we passed. All of us gain immensely from the participation of people who, through the ADA, are finally able to fully participate in American life.

We can fulfill our obligation and commitment to the ADA by holding hearings before the Senate Rules Committee to gather information about areas where we need to comply with the ADA. Then, we can put together a plan to apply to Congress the same laws which are followed by our friends in Phoenix, OR or Phoenix, AZ.●

JUNE IS TURKEY LOVERS' MONTH AND ONCE AGAIN NORTH CAROLINA RANKS NO. 1

● Mr. HELMS. Mr. President, June is Turkey Lover's Month, and I could not let the month end without saying a few words about North Carolina's turkey industry. I am proud to join North Carolina's Governor Jim Martin in doing a little bragging about the turkey industry in our State. But remember, "bragging ain't bragging if you can prove it—and Jim Martin and I can prove it.

Although North Carolina is something of a newcomer to the turkey industry, it has become one of the major participants in the turkey industry's phenomenal growth during the last decade. As Americans were eating more and more turkey, North Carolina production was reaching record levels.

Mr. President, for many years I have had the feeling that Washington, DC, is the turkey capital of the world, but I had another kind of turkey in mind. When it comes to delicious, succulent turkeys—the eating kind—the U.S. Department of Agriculture reports that more than 58.8 million turkeys were raised during the past year in North Carolina—the largest number ever produced by any State in a calendar year. This number represents 20 percent of the Nation's yearly turkey production.

More important than the records, however, is the positive impact the industry has on the economy of my State. North Carolina's turkey industry generates more than \$450 million in jobs alone. In addition, the turkey industry has been, and remains a vital part of our national economy.

North Carolina is the leader in production, and also in the industry itself. The current president of the National Turkey Federation, Bruce Cuddy, is the president of Cuddy Farms which is headquartered in Marshville, NC. In addition, five other Tar Heels have served as president of the National Turkey Federation: Wyatt Upchurch, 1990; John Henrick, 1984; Bill Prestige, 1982; Billy Shepard, 1974; and Marvin Johnson, 1968.

Mr. President, turkey consumption continues to rise for some simple reasons: turkey is one of the healthiest foods available, and it is an economic bargain. Low in fat and cholesterol, high in protein and other nutrients, turkey is now available in countless products from deli slices to ground turkey, from turkey bacon to tenderloins.

The old image of turkey is a "Thanks-giving-only" whole bird is long gone, and now Americans enjoy turkey as an easy-to-prepare, year round product.

So, I reiterate that I am delighted to join Governor Martin in recognizing—and bragging about—a fine industry. It is an honor to provide the industry with well-deserved recognition.●

ABA PRO BONO SERVICE AWARD RECEIVED

● Mr. D'AMATO. Mr. President it is with pride that I stand here today to speak about one of my constituents, Joseph S. Genova, who is the recipient of the 1992 ABA Pro Bono Service Award. Mr. Genova has been selected by the American Bar Association as one of the five Pro Bono Publico Award winners from across the country.

Mr. Genova exemplifies all of the finest qualities associated with the legal profession. His contributions have truly made a difference in the lives of many New Yorkers. He has led the New York State Bar Association's significant efforts to promote pro bono service to benefit the indigent of New York State.

Mr. Genova is a partner in the 250-plus member New York City based firm of Milbank, Tweed, Hadley, and McCloy. In addition to his regular client obligations to the firm, Mr. Genova does a super job as chair of the firm's pro bono committees which requires him to coordinate all of this large firm's pro bono efforts. Mr. Genova also manages to find time for pro bono clients and cases of his own by participating through community law office, the volunteer division of the Legal Aid Society in New York City.

Joseph Genova has done much to encourage the private bar to take a leadership role regarding access to justice for the poor. Starting as a member of the New York State Bar Association's Committee on Legal Aid and advancing to fill the chair's position, Mr. Genova has led the way with new and innovative programs designed to increase the delivery of volunteer legal services.

Mr. Genova currently serves as a member of Chief Judge Sol Wachtler's pro bono review committee, a committee of bar leaders and others whose purpose is to monitor the private bar's voluntary pro bono efforts.

Joseph Genova has dedicated his time and talents to the cause of pro bono publico in the State of New York. I can think of no one who has worked as tirelessly and as effectively for the enhancement of pro bono legal service to the poor in New York than Mr. Genova and for this he is most deserving of this distinct honor.

Mr. Joseph S. Genova has had a distinguished career and has given of himself freely to New York and to the United States of America. It is indeed an honor to pay tribute to this exemplary man today.●

RESPONSIBILITY OF OWNING A FIREARM

● Mr. SYMMS. Mr. President, I rise today to share with you a letter to the editor that I feel is worth sharing with our distinguished colleagues. It was written by Victor Roberts of Idaho Falls. Mr. Roberts demonstrates that the right to own a firearm is a responsibility and firearms should be treated with respect and maintained safely.

The article follows:

There has been great emphasis in the media lately on firearms and children. The incidents cited range from accidental death and injury to gang-related deaths and injuries caused by firearms.

The most professed cure for all these ills is to restrict the possession or use of firearms by law-abiding citizens. One statistic I heard cited the most common cause of death for black males between the ages of 15 and 19 as shootings. I may be wrong, but I assume most of those who shoot a teen are themselves in the same age group. It is already against the law for people in this age group to possess firearms (except in some states while hunting or in the presence of an adult). Restricting the law-abiding citizen from owning firearms will not change the minds or hearts of those who are predisposed to break the law.

A prevalent attitude I've seen is that only "bad" people have guns. This may create in the mind of a child a sense of mystery. Without an understanding of what harm the gun can do, and no idea of how to safely handle one, a child can turn a poorly secured firearm into a death trap. Children should not have access to guns except under strictly controlled circumstances. They should have the opportunity to learn firearms safety and that firearms have legitimate uses such as hunting, sporting activities and personal protection. Marksmanship training and competition for young people sponsored by local, state and federal governments could instill a sense of discipline as well as safety. History lessons on the significance of firearms in the development and growth of the United States might shed light on some ingrained attitudes and open minds to the idea that maybe some "good" people have guns, too.

The framers of the documents that gave life to our government felt so strongly about individuals being able to possess firearms, that they included the Second-Amendment to the Constitution: "A well-regulated militia being necessary to the security of a free State, the right of the people to keep and bear arms shall not be infringed." This clearly states the people have a right to keep and bear arms, not, the state has the right to keep arms for the people to bear. It is also clear that right shall not be infringed. Licensing and registration are infringements.

Only a tyrannical government fears an armed citizenry, and with just cause as evidenced by this country's fight for independence.

But opposite from tyranny is anarchy. Whether in general such as a riot, or localized such as a break-in and robbery, anarchy may well be the greatest fear of the American people. When an armed criminal is breaking into a home, the police will probably not be present. Even when the police are only five minutes away it will be little comfort to an unarmed resident.

We need to change our attitudes about firearms. It has been said that violence begets violence, but it is possible that an able,

armed, and concerned general public would deter violence and crime.●

FARNHAM CELEBRATES 100 YEARS

● Mr. D'AMATO. Mr. President, I rise today to raise my voice in celebration of the village of Farnham's 100 years of incorporation. Farnham is the smallest incorporated village in Erie County in western New York. The village has planned a whole day of celebration to commemorate their centennial which will be held on July 19, 1992.

Farnham was originally established in 1839 and was called Mill Branch, a settlement in the town of Brant. In 1852 a railroad station was established on land in the town of Brant owned by the one-time sheriff of Erie County, Leroy Farnham, and took the name of Farnham Station. This was shortened to Farnham when the village was incorporated in 1892.

In the late 1800's and early 1900's Farnham became a thriving community with two stores, a hotel, a steam sawmill, blacksmith shop, a barber shop, and two churches. Later came two auto garages, a successful canning industry, and a commercial greenhouse.

In the latter part of the 19th century, two important railroads, New York Central and the Pennsylvania and Nickel Plate, crossed Farnham. Thus, Farnham became a flourishing railroad center. It served as a shipping center for fruits, vegetables, fuels, and raw materials and as a center for passenger train services.

With the onslaught of change that was brought about by the automobile came the population decline of Farnham. More mobility meant more accessibility to cities for younger people. The population of Farnham decreased and so did stores, industries, businesses, and schools. Today, Farnham has a hotel, two churches, an insurance business, a small diner, and a plastic molding factory.

The population of Farnham has remained between 300 and 600 in recent memory. Today's population is 427. Farnham offers a strong sense of community, pleasant atmosphere and low taxes.

The village of Farnham, in the western end of the town of Brant, has survived 100 years as a community. I congratulate them on 100 successful years and wish them 100 more.●

BUDGET EFFECTS OF TITLE XIX OF H.R. 776

● Mr. BENTSEN. Mr. President, I ask that the following letter from the Congressional Budget Office [CBO] be included in the RECORD at this point. This letter provides a cost estimate from the CBO for the revenue title—title XIX—of H.R. 776, which the Finance Committee has filed as reported.

The letter follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 24, 1992.
HON. LLOYD BENTSEN,
Chairman, Committee on Finance, U.S. Senate,
Washington, DC.

DEAR MR. CHAIRMAN: The following table provides the information you requested in your letter of June 22, 1992 on Title XIX of H.R. 776, the Comprehensive National Energy Policy Act, as amended and reported by the Senate Committee on Finance on June 18, 1992. The Joint Committee on Taxation (JCT) and CBO estimate that Title XIX of H.R. 776, as amended by the Finance Committee, would decrease the deficit by \$72 million in fiscal year 1992 and by \$48 million over the 1993 through 1997 period through changes in direct spending and receipts. The year-by-year receipt and outlay effects are summarized below.

BUDGET EFFECTS OF TITLE XIX OF H.R. 776, AS ORDERED
REPORTED BY THE SENATE FINANCE COMMITTEE

[By fiscal year, in millions of dollars]

	1992	1993	1994	1995	1996	1997	1992-97
Estimated outlays	45	275	282	289	295	302	1,488
Net receipts	117	454	354	325	242	118	1,609
Deficit effect	-72	-179	-72	-36	53	184	-120

Note:—Details may not add to totals due to rounding.

The Congressional Budget Office prepared a cost estimate of H.R. 776, as reported from the Senate Committee on Finance on June 18, 1992, and transmitted the letter on June 18, 1992. The information summarized in this letter is consistent with the estimates supplied in the original CBO cost estimate.

If you wish further details, please feel free to contact me or your staff may wish to contact John Stell at 226-2720 for receipts, or Cory Oltman at 226-2820 for outlays.

Sincerely,

ROBERT D. REISCHAUER,
Director.

F/A-18E/F MILESTONE IV

• Mr. D'AMATO. Mr. President, for the last 6 weeks the Pentagon has flatly refused to share with me any of the materials associated with the F/A-18E/F Milestone IV review before the Defense Acquisition Board [DAB]. Imagine my surprise, then, when the Navy released to several defense periodicals a study, entitled "Cost and Operational Effectiveness Analysis Summary for F/A-18 Upgrade Program," that identified the F/A-18E/F as superior to the F-14D "Quick Strike", Super Tomcat-21, Attack Tomcat-21, A-6, F/A-18C/D, a new start aircraft, and a naval version of the advanced tactical fighter. By all appearances, the COEA summary, dated May 4, 1992, is a distillation of the COEA required for the F/A-18E/F DAB hearing.

Appearances, however, can be deceiving. We know, thanks only to the diligence of the DOD Inspector General's Office, that, contrary to Department of Defense regulation and Congressional direction, a COEA was not prepared for the F/A-18E/F DAB review, that the Navy depended on contractor trade

studies to justify the F/A-18E/F program, and that the Navy strenuously objected to conducting side-by-side analyses of the F/A-18E/F with anything but the F/A-18C/D.

By its very nature, the COEA summary is a fraud. No COEA was done! Just what the COEA summary is a summary of, and who drafted it, are questions I have put to the Navy.

My suspicion is that the COEA summary is nothing more than a marketing pitch produced by McDonnell Douglas. What disturbs me is the incestuous relationship that seems to exist between the contractor and the Navy leadership. I have reason to believe that the Assistant Secretary of the Navy, Research, Development, and Acquisition, presented the COEA summary as an authoritative cost-effectiveness analysis to the Under Secretary of Defense, Acquisition. It was so presented by the Navy to the press. Were it not for the IG, we would have never known otherwise.

I believe the Navy gambled that the fact that no COEA was done for the F/A-18E/F DAB review would never be known outside the bureaucracy. Obviously, no one in the Navy counted on the IG revealing in grim detail the mishandling of the DAB review. Without the IG's exhaustive research, the only F/A-18E/F documents available to Congress would have been sales brochures put out by the contractor.

Mr. President, there is something sinister going on in the Pentagon. Responsible officials have short circuited the acquisition process they are pledged to safeguard. These very same officials have sought to obstruct congressional oversight of both the acquisition process and the \$88 billion F/A-18E/F program it has produced. What are they hiding? What is the truth? I will not rest, nor will they, until I find out.

TRIBUTE TO THE WORKERS OF
SUMMAGRAPHS CORPORATION
ON THE OCCASION OF ITS 20TH
ANNIVERSARY

• Mr. DODD. Mr. President, I rise today to make a tribute to the employees of Summagraphics Corp., a Connecticut company that celebrates its 20th year on the cutting edge of computer input technology.

Since its founding in Fairfield, CT, in 1972, Summagraphics has been a world leader in a field known as digitizing tablet technology. Not everyone may be familiar with digitizing tablets, Mr. President, but the technology on which they are based is one of the most advanced of its kind.

Through the use of digitizing tablets, architects, engineers and other designers can translate graphic images drawn by hand into digital images that can be read by computers. These digital images can be manipulated and displayed

by Computer Aided Design systems or used in countless other ways. The digitizing tablet literally serves as the electronic gateway for a world of infinite possibility.

Mr. President, this month Summagraphics celebrates its 20th anniversary, and its employees can certainly look back with pride. Their ingenuity has made Summagraphics the world's leading maker of digitizing tablets. And their constant dedication to excellence has made Summagraphics the standard bearer for the entire industry.

Mr. President, I take great pride in commending the employees of Summagraphics on this special occasion. They should be honored for what they have already accomplished—and for what, I have no doubt, it still yet to come.

F/A-18E/F

• Mr. BOND. Mr. President, today, the House Armed Services Committee is holding a hearing on the Pentagon's handling of the Defense Acquisition Board [DAB] review of the F/A-18E/F development program. The only witness at the hearing will be the acting DOD inspector general [IG] who will discuss a recent report released by his office which was critical of the F/A-18E/F DAB.

Since the committee did not see fit to have a balanced panel of witnesses at today's hearing, it is necessary to provide the "other side of the story" regarding the IG report.

The report concluded that the Navy failed to submit a formal Cost and Operational Effectiveness Analysis [COEA] and therefore did not fully evaluate the available options to the F/A-18E/F during the Defense acquisition review process. Mr. President, that is an incomplete and unfair evaluation of the F/A-18E/F DAB process and, given the importance of this issue to the future of naval aviation, it is necessary to set the record straight.

The fact of the matter is that extensive studies and analyses were performed on the alternatives—5 years worth—and a formal COEA was not required. Based on all the data presented to OSD in preparation for the DAB, the Under Secretary of Defense for Acquisition stated in his May 12, 1992, memorandum approving the F/A-18E/F program:

A COEA is not required in this case either by law or DOD Directive 5000.1/Instruction 5000.2. I have considered whether a COEA should nevertheless be prepared as a matter of policy in light of the financial magnitude of this development effort, but concluded that a COEA need not be prepared. Sufficient information in the context of this decision is already available to me.

The data presented to OSD to support the F/A-18E/F program was the result of studies and analyses conducted

over the past 5 years. Eight trade study volumes and 26 briefings were presented to summarize this data for the OSD staff. They firmly established the effectiveness of the E/F and the fact that sufficient design trade studies were executed which support the program. Based on the data presented by the Navy and on its own analysis, OSD's Office of Program Analysis and Evaluation concluded that the cost effectiveness of the F/A-18E/F versus the F/A-18C/D and F-14 derivatives was adequately verified.

While those intent on killing the F/A-18E/F program have suggested otherwise, the F-14D Quickstrike was considered in detail. A side-by-side comparison showed that the F-14D was more expensive, less reliable and less survivable than the F/A-18E/F. In fact, the Quickstrike was shown to be even less capable than the current F/A-18C/D, which the F/A-18E/F will replace. Other reasonable options also were considered and eventually rejected, including other derivatives of the F-14. Although one derivative—the STC-21—was found to offer equivalent performance to the F/A-1E/F, the studies concluded it was simply too expensive and significantly more risky.

In a head-to-head comparison of the F/A-18E/F with the F-14D Quickstrike, the Navy found that the F-14D was not as survivable in the Strike role, was more expensive to procure, and was more expensive to operate and support; and less capable than the F/A-18C/D in the strike role.

When the F/A-18E/F was compared to new versions of the F-14, the ATC-21/STC-21, the Navy found that the F-14 derivatives would require more squadron manpower to support the aircraft, would be more expensive to operate, would have high development cost risk, would not be acceptable for use by the Marine Corps and would not be suitable for foreign military sales.

In summary, Pentagon regulations clearly state that a COEA is not required for the F/A-18E/F. The Navy and OSD followed proper procedure in evaluating the E/F development program. The decision to go forward was made after all viable alternatives to the F/A-18E/F were considered in great detail and fully evaluated by the Pentagon. Every other option was found to be either too expensive, too risky or not as capable as the F/A-18E/F.

A summary of this information was presented to the IG, who, by all available accounts, chose to ignore it. I ask that this summary be included in the RECORD at this time.

The summary follows:

COST AND OPERATIONAL EFFECTIVENESS ANALYSIS SUMMARY FOR F/A-18 UPGRADE PROGRAM

1. REQUIREMENT

The Navy's warfighting capability today is well prepared to support national policy. This warfighting capability is expected to be

adequate in dealing with the projected threat out past the turn of the century. At that time, the Navy will need to replace F-14, A-6, and early model F/A-18's all of which will be rapidly approaching the end of their fatigue lives. Earlier plans for replacing our maturing air wings centered around the A-12 and a carrier version of the Air Force's Advanced Tactical Fighter. Cancellation of the A-12 caused the Navy to rethink plans for naval aviation. The top priority for naval aviation is the successful development of the long range medium attack aircraft designated AX. The Navy requires sixty fighter and attack aircraft per air wing but cannot afford two "high-end" aircraft. Figure (1) shows that the availability inventory meets force structure requirements until the turn of the century when retirements result in a rapid decline in the available aircraft.

[Figure 1 not reproducible in the RECORD.]

To mitigate the impact of the shortfall, the Navy has initiated aggressive programs to extend the service life of its existing front line carrier aircraft. These programs consist of a structural upgrade of the F-14 and detailed fatigue life tracking and management for the F/A-18. The Navy has contracted with Grumman Aircraft Corporation to perform additional fatigue tests on the F-14 airframe to attempt to increase life from 6000 flight hours to 7500 flight hours. The automated digital fatigue life measurement system incorporated into F/A-18 aircraft indicates the Navy will be able to get more than 7500 flight hours. Even with these service life enhancements in place, there is a shortfall in the out years. The Navy must procure new aircraft to maintain the base force. The Navy plans to have the AX on line in 2005. That begins to reduce the shortfall but is short of the total number of aircraft required. Considering the warfighting requirements for fighter and attack aircraft and the expected budget in the out years the Navy needs another aircraft ready to purchase sooner than AX at a lower cost.

2. METHODOLOGY

Figure (2) depicts the methodology by which the Navy arrived at the decision to pursue the F/A-18E/F. The F/A-18C/D cannot continue to meet the requirement for the Navy's "low-end" strike fighter for the air wing mix because of its current limitations. Other alternatives included development of new aircraft and modification of existing carrier aircraft to fulfill the requirement for the low end of the carrier air wing mix. MAR (Major Aircraft Review) I and MAR II ruled out new starts and STC/ATC-21 as too expensive. An additional iteration was performed after the F-14 contractor submitted an unsolicited proposal for a less expensive strike fighter upgrade called F-14D Quick Strike (QS).

[Figure 2 not reproducible in the RECORD.]

Several approaches have been considered to meet the Navy requirement. The first approach is to do nothing—simply continue to purchase the F/A-18C/D to fill out Navy's inventory requirements. The F/A-18C/D is itself in need of an upgrade. The limitations of the F/A-18C/D (radius, growth, carrier recovery payload, survivability, and payload) would require a significant change in strategic policy with regard to use of carrier aviation to project power. For a decade and a half the F/A-18 has been able to take advantage of and integrate new weapons and warfighting capability as it became available. Although it has been a dependable and capable strike fighter, it is reaching the end of its ability to grow without major structural modifications.

The F/A-18 has been progressively upgraded since 1979 through the addition of improved avionics, stronger structure, and an enhanced performance engine. These improvements are projected to add about 1462 pounds of weight to the aircraft. This weight growth will reduce the F/A-18C/D operating range by about 17% for both strike and escort missions. Moreover, the added weight will reduce the weapons recovery payload by about 48% for day operations and 74% for night operations. Carrier aircraft will increasingly operate at night and with increasingly expensive weapons that should not be jettisoned to meet fuel reserve minimums. Additional tanker support could provide partial relief. By 1995, additional avionics will have exhausted available growth volume in the aircraft. Additionally, the F/A-18C/D airframe is no longer amenable to survivability enhancements through reductions in observability.

While these are significant limitations, the F/A-18C/D could continue to be employed well into the next century. Limited range would constrain operations unless extensive tanking support were provided. Its survivability limitations would either constrain operations to lower threat areas or require extensive defense suppression operations. Peacetime recovery payload reductions might be offset by developing light weight training versions of stand-off weapons or by increasing tanker support. Combat recovery payload limitations would remain and necessitate jettisoning of costly ordnance or time consuming shore divers to download the weapons.

The Navy evaluated options for modifying the F/A-18C/D to accommodate increased radius and growth without extending the length of the fuselage. Options evaluated included adding fuel to the dorsal area, miniaturizing avionics components and aggressive weight reduction. These configurations were unsatisfactory because they seriously degraded combat performance, carrier suitability or both. Results of these studies have been provided to OSD staff.

3. THREAT CONSIDERATIONS

The key components of potential threats have stabilized during the last two years in response to Eastern European political and economic shifts. CIS emphasis on development and deployment of advanced air, ground, and naval weapons has greatly declined. The AAW threat has particularly declined since timeliness for introduction and export of new types of such weapons and projected follow-on systems have increased significantly. STAR NAVMIC #TA037-92 contains a detailed description of threat projections. Navy concept of operations for the carrier air wing includes two state of the art multi-mission aircraft—a long range strike aircraft, and a lower cost strike fighter.

4. MEASURES OF EFFECTIVENESS

The key measures of effectiveness are listed in figure 3. An objective measure of survivability is radar cross section (RCS). A lower RCS reduces the capability of threat systems while enhancing the effectiveness of own aircraft electronic counter measures. The best measure of vulnerability is vulnerable area. Denying or delaying engagement opportunities, and presenting a smaller vulnerable area to fragments and projectiles offers the best prospects for successfully executing a mission in a threat environment. Unit replacement cost for combat losses is closely linked to survivability and vulnerability. Simply put, a very cheap aircraft may be able to sustain large losses because it

may be easy and quick to replace. Strike mission radius determines the flexibility with which the air wing commander can employ the system. The longer the strike mission radius, the farther from hostile shores the carrier can stand-off. A longer radius allows the commander to reach more targets and dedicate fewer resources to tanking. A strike-fighter will be called upon to perform some air defense and air warfare missions and must be capable of successfully engaging and defeating threat systems beyond visual range and in close. Carrier suitability refers to recovery and launch wind-over-deck (WOD) required to operate the aircraft from the deck safely. High WOD requirements increase the space required for the carrier force to launch and recover its aircraft. Weapons system features and armament flexibility are closely related measures that indicate the effectiveness of a platform as a strike fighter which can be called upon to perform a wide range of combat missions sometimes simultaneously. A strike fighter should be capable of effectively employing all Navy strike and fighter weapons in the inventory and under development.

Figure 3. COEA Measures of Effectiveness
Survivability/vulnerability, Combat loss unit replacement cost, Strike mission radius, Carrier suitability, Fighter performance, Weapons system features, and Armament flexibility.

5. ALTERNATIVES

This study process considered the full range of candidates (Figure 4) for fighter, strike fighter, and attack aircraft including F-14 derivatives, F/A-18 derivatives, A-6 derivatives, ATA, and a Navy variant of the ATF (NATF). During 1990/91, the Navy participated in two OSD Major Aircraft Reviews

(MAR). The initial review (MAR-1) investigated alternatives to the ATA (April 1990) such as F-14 Attack Tomcat 21 (ATC-21), F/A-18F(AW), and an A-6 Advanced Intruder (AI). Later evaluations (MAR-II) investigated fighter alternatives (September 1990 with an April 1991 update) such as NATF, F-14 Super Tomcat 21 (STC-21) and F/A-18E/F. These carrier air wing and MAR evaluations included postulated threat scenarios, weapons systems capabilities, operational effectiveness, development cost, procurement, reliability, maintainability, personnel requirements, and life cycle costs. Additionally, affordability considerations drove the Navy from the current high-low force structure mix of three fighter attack aircraft types to two because limited resources prohibited replacement of two high end aircraft (VF and VAM) types simultaneously.

Figure 4. Alternatives Considered

- Naval Variant ATF (NATF).
- F-14 Derivatives, Super Tomcat 21 (STC-21), Attack Tomcat 21 (ATC-21), F-14D Quick Strike (QS).
- A-6 Advanced Intruder (AI).
- F/A-18 Derivatives, F/A-18C/D, F/A-18E/F, All Weather F/A-18F (AW).
- New Start (Clean Sheet).

6. SUMMARY OF COEA MEASURES OF EFFECTIVENESS

After several years of comprehensive analysis including the results of MAR-I and MAR-II, the Navy concluded that ATA and NATF were beyond the limits of affordability and judged the A-6 AI as lacking sufficient survivability to justify further consideration. This narrowed the candidate field to only the F/A-18E/F and the ATC-21/STC-21 as viable alternatives to fulfill carrier aviation's force structure, low end strike fighter

requirements. The MAR studies concluded that the STC/ATC-21 were capable of achieving survivability and vulnerability comparable to the F/A-18 derivative. Fighter performance is somewhat better for the F-14 derivatives. Because of the increased gross weights, carrier suitability measures are degraded for the F-14 derivatives compared to the F/A-18 derivative. With the development of an upgraded AEGIS system for the outer air battle and reduction of the long range Soviet bomber threat the F-14 was designed to counter, the Navy concluded it is reasonable to trade better high end fighter performance for reduced cost and comparable performance for other measures. This left the Navy with only two viable alternatives, the F-14D variant called Quick Strike (QS) and the F/A-18E/F. The F-14D QS variant is more costly than the F/A-18C/D and less capable in the strike mission area. The Navy concluded that, without the airframe upgrades in the STC/ATC-21 and F/A-18 derivative to improve survivability and vulnerability, the F-14D QS is too vulnerable to ground based threats. Other considerations included Marine Corps requirements and Foreign Military Sales customer base. The Marine Corps can not use the F-14 or its variants to satisfy its mission requirements. The F/A-18 already has concluded FMS arrangements with Australia, Canada, Spain, Kuwait and Switzerland. Figures (5) and (6) present a summary of the COEA measures of effectiveness for the F/A-18 and F-14 candidate aircraft. Figure (7) summarizes the life cycle costs associated with different candidate air wings considered.

[Figures 5 and 6 not reproducible in the RECORD.]

FIGURE 7.—CWV COST COMPARISONS

(Billions of FY90\$; 20 years; 13 CWVs; Basis for Estimates: F/A-18E/F is Budget Quality; F-14D(QS) & STC-21 are Rough Order of Magnitude)

	CWV A 40 F/A-18E/F	CWV B		CWV C		CWV D 40 F-14D(QS)	CWV E 40 STC-21
		20 F/A-18E/F	20 F-14D(QS)	20 F/A-18C/D	20 STC-21		
E&MD	\$4.88	\$4.88	\$0.33	\$0.50	\$2.58	\$0.33	\$2.58
Total procurement	43.48	24.96	29.10	16.55	31.50	47.15	54.34
Operations and support	23.54	11.77	15.92	11.34	15.62	31.84	31.39
Total	71.90	41.61	45.35	28.39	49.70	79.32	88.31

Notes.—Aircraft quantities determined to maintain force level at 13 CWVs. CWV A: 962 F/A-18E/F. CWV B: 481 F/A-18E/F; 595 F-14D(QS)=75 remanufactured + 520 new. CWV C: 481 F/A-18C/D; 500 STC-21. CWV D: 1084 F-14D(QS). CWV E: 997 STC-21. STC-21 Estimate from MAR II Study adjusted for revised quantities and assumes bridge production of F-14Ds; cost of F-14D bridge production not included in estimate.

7. SUMMARY

Over the course of the last five years several major reviews and analyses have produced the data which substantiates the Navy's F/A-18E/F decision. The need to replace large quantities of retiring fighter and attack aircraft in the late 1990s within a constrained fiscal environment is the basis for the Navy's requirement. Less substantial modification to the F/A-18C/D was rigorously evaluated, but all postulated solutions incurred additional costs without improvements in carrier suitability, combat performance, survivability, and growth potential. New start aircraft were considered as prohibitively expensive. The A-6 AI was eliminated as not adequately survivable in the projected threat environment. All F-14 derivatives, while offering equivalent or slightly better fighter capability compared to the F/A-18E/F, proved to be too expensive compared to expected future funding for naval aviation. The data as summarized in Figure 8 confirm the Navy's F/A-18E/F decision.

Figure 8. Summary

F-14D(QS): not as survivable in strike role, more expensive to procure, more expensive

to operate and support, less capable than F/A-18C/D in strike role.

F-14 derivatives (ATC-21/STC-21): require more squadron manpower, more expensive to operate, high development cost risk (ROM estimates), not acceptable for Marine Corps, not suitable for foreign military sales.

F/A-18E/F configuration based upon 5 years COEA trade studies.

F/A-18E/F cost effective solution to meet inventory requirements.*

SENATE CONCURRENT RESOLUTION 126

● Mr. D'AMATO. Mr. President, I rise today to join Senators DOLE, SHELBY, SIMON, and others in supporting Senate Concurrent Resolution 126 which expresses the sense of the Congress that equitable mental health benefits be included in any national health care reform legislation passed by the Congress.

We recognize that mental illness can be as debilitating in terms of social and business costs as any physical illness

or medical condition. It can result in lost productivity, lost dreams and lost lives. In the interests of fairness and equity, we need to be sure that we make treatment programs available to those who need them. Almost 1 out of 5 Americans will suffer from a diagnosable mental illness during any 6 month period. Only one-fifth of these will have access to any treatment.

Currently, almost two-thirds of private health insurance programs do not provide the same levels of coverage for mental illness as for physical conditions. The impact this has on access to mental health care is compounded by the fact that copayments for mental health benefits are often more than twice those for medical treatments.

We have an opportunity to correct this inequity as we consider legislation to reform our nation's health care system. We have a chance to return those who suffer from mental illness to productive, satisfying lives. I agree wholeheartedly with my distinguished col-

leagues that a small investment of health care dollars in this area will yield a large return for America.

Just as I am committed to working toward providing adequate health care to those Americans currently without access to such care, I am equally committed to ensuring that this health care coverage includes adequate mental health care coverage. I urge my colleagues to join me in supporting this resolution, and I urge its immediate adoption.●

THE 1992 NATIONAL WETLANDS CONSERVATION AWARD TO WESTVACO CORP.

● Mr. FORD. Mr. President, I rise today to recognize Westvaco Corp., a valued corporate citizen of the Commonwealth of Kentucky for nearly a quarter of a century, for receiving the U.S. Department of Interior, Fish and Wildlife Service, 1992 National Wetlands Conservation Award.

The award is given annually to recognize private sector accomplishments in the field of wetlands conservation. Criteria include acreage of wetlands protected, benefits of wetlands projects, and leadership and innovation in wetlands conservation.

I am pleased to share with my colleagues my enthusiasm about this prestigious award and the Westvaco Wildlife Management Area located in western Kentucky. I feel that it is important that we get the message out that economic and environmental goals can be reached when the private sector and public sector work together. Westvaco has worked long and hard to be both responsible and proactive in its environmental stewardship.

During the years I have represented the people of Kentucky and worked on behalf of the over 500 employees at Westvaco's Wickliffe, KY, fine paper mill, I have had the pleasure of knowing Mr. John A. Luke, president and CEO. Today, Mr. Luke accepted the National Wetlands Conservation Award on behalf of Westvaco and I would like to read into the RECORD the following remarks offered by Mr. Luke at a company hosted luncheon in honor of this very special recognition of the company's environmental good work.

I am John Luke, President and CEO, of Westvaco. It is my pleasure to welcome each of you, and on behalf of all Westvaco employees, extend our appreciation to you for joining us this afternoon. Like the National Wetlands Conservation Award Westvaco received on Tuesday, June 30, so much of Westvaco's success depends upon cooperation with the many individuals and groups who interact with and mean so much to our company. We are glad to have you here today to share our enthusiasm about the wetlands award and the Westvaco Wildlife Management Area.

*** I would like to emphasize that the award we received today honors just one step in Westvaco's lengthy history of outstanding environmental performance. Companywide cumulative investments totaling more than

\$420 million are reflected in leading-edge environmental protection systems at each Westvaco facility. We are adding to those investments at a rate of \$35 to \$50 million per year, and we incur about \$50 million in annual costs to operate these systems.

Similar commitment marks our management of timberlands for multiple use—wildlife habitat, recreational opportunities, and wood to make a host of products and provide jobs. Our 1.5 million acres of forests are important contributors to the environment. We plant more than two trees for each one we cuts, and these young, vigorous forests are literally oxygen factories, consuming in the process way more carbon dioxide each year than we emit from our manufacturing operations. That is an environmental fact of global importance and one in which we take a very full measure of special pride.

It is also with great pride that I say that we at Westvaco are, and have long been, environmentalists. We believe in sound science, and we believe in sound environmental practice. It is our conviction that safe and healthy workplaces, communities, and products are essential to the conduct of a successful business, and we simply do not compromise. We would not be so naive as to profess perfection in these complex and demanding areas, but you can be assured that our commitment to health, safety, and the environment is absolute.

The close proximity of the Westvaco Wildlife Management Area to our Wickliffe, Kentucky, mill illustrates once again that well-managed manufacturing and forestry can operate in full harmony with sound environmental purposes. The project also demonstrates the value of cooperation among group with a common goal. In this case, it is Westvaco, the U.S. Fish and Wildlife Service, the Kentucky Department of Fish and Wildlife Resources, and conservation organizations like Ducks Unlimited joining forces to back the North American Waterfowl Plan. It is our hope and firm intention that its collaborative effort becomes a model for similar future endeavors throughout the country.●

NATIONAL WETLANDS CONSERVATION AWARD

● Mr. ROCKEFELLER. Mr. President, I rise today to highlight a success story. It is a true story in which an innovative company, Westvaco Corp., joined forces with the Department of Fish and Wildlife Resources in Kentucky and together brought about a joint private and State wildlife refuge. This was done in consultation with Ducks Unlimited, other conservation groups, and with the support of the U.S. Fish and Wildlife Service. The result of the combined efforts was the June 1991 signing of a 20-year agreement between Westvaco and the Commonwealth of Kentucky, establishing the Westvaco Wildlife Management Area.

Today, Westvaco Corp., a major manufacturer of paper, packaging, and chemical products, is being honored by the U.S. Department of Interior, Fish and Wildlife Service with the 1992 National Wetlands Conservation Award for these efforts. The award was presented in a ceremony conducted in Washington, DC, by the Department of Interior to mark the dedication of the 1992-93 Federal duck stamp.

Westvaco was honored for its work with the Kentucky Department of Fish and Wildlife Resources [KDFWR] to establish the Westvaco Wildlife Management Area [WMA] in western Kentucky. The WMA, which includes 3,000 acres owned by the company, is located south of Westvaco's Wickliffe, KY, mill and adjacent to the Mississippi River.

The WMA is managed as key wintering habitat for waterfowl that migrate along the Mississippi flyway. It is an integral part to help meet the goals of the North American waterfowl management plan [NAWMP]. The waterfowl plan is a cooperative effort among Canada, Mexico, and the United States intended to halt the decline of duck and other waterfowl populations by setting aside and protecting 6 million acres of new habitat. The NAWMP coordinating agency in this country is the U.S. Fish and Wildlife Service.

Westvaco, since its founding over 100 years ago, has been an important corporate resident of my own State, West Virginia. Its founders came to West Virginia 104 years ago to commercialize their conviction that paper could be better and more economically made from wood than from rags, which were the raw material of that day. Their innovative determination prevailed, and Westvaco was born. Even though the company has since grown to global proportions, it has kept its roots firmly planted in West Virginian soil.

Westvaco owns 400,000 acres of timberlands in West Virginia; and 300,000 more are owned by 350 individual, West Virginia landowners as members of the company's Cooperative Forestry Management Program. Westvaco and these private landowners have a goal of managing the forests with the most advanced technology and on the multiple use of these forests for the benefit of all—wildlife, recreation, hunting, and forest products jobs for West Virginians.

I join Westvaco today in celebrating recognition of this impressive example of what can be accomplished when public wildlife agencies, conservation groups such as Ducks Unlimited, and private enterprise team up for the protection and improvement of natural resources. I know that this award will inspire Westvaco to try to broaden its contribution to the environment, and I can promise that West Virginia's leaders and citizens look forward to pursuing this common goal.●

A TRIBUTE TO THE WESTVACO'S PROTECTION OF WETLANDS

● Mr. MCCONNELL. Mr. President, several weeks ago I called attention to the outstanding conservation efforts undertaken by Westvaco Corp. in expanding the Westvaco Wildlife Management Area in western Kentucky. Today, I am pleased to congratulate Westvaco for

being named by the U.S. Fish and Wildlife Service as the winner of the 1992 National Wetlands Conservation Award for their innovative work and environmental commitment in establishing this haven for migrating waterfowl.

In a ceremony held today at the Department of the Interior, Mr. John A. Luke accepted this prestigious award on behalf of Westvaco. Acknowledging the award following the ceremony, Mr. R. Scott Wallinger, senior vice president, offered the following words of praise for the company's efforts and briefly explained why Westvaco decided to establish the Westvaco Wildlife Management Area.

I want to share Mr. Wallinger's remarks with my colleagues.

The remarks follow:

Westvaco has been in western Kentucky since the construction of the Wickliffe fine papers mill overlooking the Mississippi River. In the years preceding and following the mill's opening in 1967, farmers converted much of what had been hardwood forests near the river into soybean fields. Over time, Westvaco acquired some of these bottomlands, and chose to retain the existing natural wooded areas as well as add plantation hardwoods. These natural and plantation forests are managed for multiple uses. In this case, such a management approach meant our property was in prime condition to become a wildlife refuge.

In 1986, the governments of Canada, Mexico, and the United States set forth the ambitious North American Waterfowl Management Plan and its goal of restoring waterfowl habitat. Kentucky's goal in support of that plan was to create 50,000 acres of new waterfowl habitat through a mixture of Federal, State and private projects.

Wildlife officials identified the Upper Columbus bottoms just south of our mills as an excellent refuge site, and there was considerable discussion about how the site might fit into the Kentucky plan. At Westvaco, we already hoped to acquire more land in Columbus Bottoms, and we had prior experience with public hunting areas on our land in South Carolina, Tennessee, Illinois, Virginia, and West Virginia, as well as Kentucky. A private/public joint venture looked like a possibility to us.

Walt Penny, Manager of our Central Woodlands, and Don McCormick, Commissioner of Kentucky's Department of Fish and Wildlife Resources, thoroughly explored the feasibility of a joint private and state refuge on the site. This was done in consultation with Ducks Unlimited, other conservation groups, and with the support of the U.S. Fish and Wildlife Service.

The result of our combined efforts was the June 1991 signing of a 20-year agreement between Westvaco and the Commonwealth of Kentucky establishing the Westvaco Wildlife Management Area.

Westvaco has placed 3,000 acres in the wildlife management area. Work is progressing on projects to improve food supply and resting places for ducks and geese. Columbus Bottoms only varies in elevation by about 10 feet. It consists of broad silty ridges used for trees and crops that alternate with long sloughs that collect water. One of the difficulties for ducks and geese migrating along the Mississippi Flyway is that the river doesn't always flood these low-lying areas in time for their seasonal arrival, and of course, they're limited in area.

Work has begun on a series of dikes and wells that will slightly enlarge these slough areas and impound water at the right depth regardless of rain or winter conditions. Since they can be drained, too, the right type of vegetation for waterfowl food can be maintained. And since we don't harvest or work on our plantations in the low-lying areas during the winter, it all works out very nicely and harmoniously for us and the ducks.

All plans for the refuge are jointly developed with Kentucky wildlife officials. Westvaco is paying for all wildlife habitat capital improvements on its property within the management area in addition to assigning company wildlife biologists to the project. Kentucky wildlife officials govern public access to the property, and any hunting that might be allowed.

In closing, I would like to emphasize how proud we at Westvaco are of this wildlife management area as part of our Tree Farm. For us, it is one more example of how commercial forestry can coexist on Tree Farms with wildlife and other forest values. We have 25,000 acres in various states open to the public that are managed as Game Management Areas in cooperation with state agencies. We sell about 30,000 hunting permits annually and lease 650,000 acres to over 700 hunting clubs. And we have a Special Areas Program to protect and manage sites with unique characteristics.

Today, many people are using the term "Sustainable Development" to suggest that people, industry, and nature can find ways to live in harmony. We believe the Westvaco Wildlife Management Area clearly demonstrates that waterfowl, other wildlife, commercial forestry, and a world-class paper mill can be good neighbors. We look forward to the project's continuing development."

JUNE IS TURKEY LOVERS' MONTH

• Mr. SEYMOUR. Mr. President, California long has been the Nation's leader in many facets of agriculture production. This month, Gov. Pete Wilson has chosen to honor one of our foremost products by proclaiming June "Turkey Lovers' Month" in California.

In making his proclamation, Governor Wilson congratulated the California turkey industry for the many contributions they make to our State and its economy. I would like to take a moment today to join the Governor and tell our colleagues a little more about this thriving industry.

California has been a leader in turkey production for more than 50 years, recognized nationally and internationally for its preeminence in breeding, hatching, raising, processing, and marketing turkey products throughout the world. California turkey products are noted for their superior quality, their outstanding nutritional profile, their ease of preparation, and their year-round availability.

During this past half-century, California also has been one of the Nation's most prolific producers of turkey. Last year was no exception. According to the Department of Agriculture, the California turkey industry produced more than 30 million turkeys during 1991—the third-highest total in the Nation—worth about \$250 million in wholesale value.

The value of the industry to the State's economy is immeasurable. Thousands of Californians are employed in some facet of the turkey industry. These hard-working men and women play a vital role in our economic growth, and their efforts help guarantee that the turkey industry remains an integral part of California's future.

Production and jobs are not the only way the industry contributes, though. The industry's product has played a leading role in shaping California's image as a trendsetter in healthy lifestyles. Californians know that turkey is low in fat, low in cholesterol, and high in protein. Last year, California's turkey consumption was about 24 pounds per person while the national average was approximately 19 pounds.

We expect both the production and consumption trends to continue for years to come. That is why I once again would like to join with Governor Wilson, the National Turkey Federation, and the California Poultry Industry Federation in celebrating the turkey industry's growth and in wishing the industry continued future success.●

TRIBUTE TO JAMES J. WALTERS

• Mr. MCCONNELL. Mr. President, today I rise to honor a Louisvillian who has made many outstanding contributions to the State of Kentucky. From his days as Humana Inc.'s director of architecture and construction to his current position as president and chief executive officer of the architecture firm Bravura, Mr. James Walters has continued to excel in his profession.

Mr. Walters' legacy can already be seen in such Louisville landmarks as the Kentucky Center for the Arts, the Kentucky Derby Museum, the Humana Building, the national Presbyterian headquarters, and the Gardencourt Restoration. Also included, several hospital facilities around the world constructed during his time with Humana.

Among the highlights of his service to the city of Louisville include his influential role in persuading the Presbyterians to relocate their national headquarters from New York to Louisville. Once the church agreed to come to Louisville, Mr. Walters lived up to his reputation by constructing a beautiful complex, on time and within budget. One of his colleagues recently remarked, "Jim combines artistic vision with the pragmatic ability of finishing projects on time and within budget. That's a rare combination."

In addition, Mr. Walters is also the former chairman of Stage One: Children's Theatre. Under his competent guidance, Stage One went from being a theater of local prominence to one with an international reputation. Stage One became a national touring group and

Mr. Walters even went to Russia to open a play.

Mr. Walters' efforts are now focused on his newest venture, Bravura Corp. As president and chief executive officer, he oversees the 12-member firm. As is his nature, Mr. Walters is looking toward the future, and predicting his firm will grow to 30 or 40 employees as well as be reckoned with on a national scale.

I urge my colleagues to join me in recognizing this hardworking Kentuckian who makes a difference wherever he is. In addition, I would like to ask that an article from the June 22, 1992, Business First be included in the RECORD.

The article follows:

WALTERS DRAWS ON HUMOR TO COMBAT JOB PRESSURE

(By Ron Cooper)

Jim Walters' motto is: "Don't take things too seriously." The 48-year-old Louisville architect, whose trademark is spread all over the city—the Humana Building, the Kentucky Center for the Arts, the Kentucky Derby Museum, the Gardencourt Restoration—was in Biloxi, Miss., during the summer of 1987 when one of those unexpected things happened.

He was part of the team assembled by Louisville civic and business leaders to persuade the Presbyterian Church (U.S.A.) to choose Louisville over Kansas City, Mo., for the church's headquarters.

"I was showing some slides of Louisville on a huge 40-by-40-foot screen when all of a sudden there were no slides where there should have been, only a big white light coming out of the projector," Walters recalls, snickering.

"So, I gave the audience a shadow show, doing rabbits and alligators and other animals with my hands until the slides started rolling again. It broke the ice, and they all laughed."

Walters and the Presbyterians were destined to get to know each other better, as the church leaders did choose Louisville over its stalwart competitor, Kansas City.

Then Walters' task was to adapt part of the former Belknap Inc. building complex along Louisville's riverfront for the Presbyterian headquarters, housing about 800 church employees.

He had 14 months to finish the job, in time for the Presbyterians' big move to the city from New York in August 1988.

John Mulder, president of the Louisville Presbyterian Seminary and part of the city's 1987 delegation to Biloxi, says although Walters was working under "incredible pressure" to meet that deadline, he did so with a remarkable sense of humor.

"He tells a lot of corny jokes and is a good punster," Mulder says. "His love of laughter is a great release amidst his great work volume."

In 1987, Walters worked as Humana Inc.'s director of architecture and construction.

David Jones, Humana's chairman and chief executive officer, was a prime mover and shaker behind the successful effort to get the Presbyterians to move here.

He provided the church space in the former Belknap complex that he then owned. Humana now owns the complex, where the Waterside Building houses the hospital company's burgeoning insurance division. Walters redesigned the Waterside Building for Humana.

Jones says he watched in amazement as Walters coupled two warehouse buildings on Washington Street that now serve as the church's headquarters.

Between the buildings was a railroad siding with rubbish on it," Jones says. "All I saw was a railroad siding. But Jim said, 'That's where the atrium will go.' I thought he was crazy. But he connected the buildings with the atrium. He's an architectural genius."

Jones echoes what others say about Walters: That he's quick to tell a joke and makes everyone feel at ease.

"Jim works under a lot of pressure, but you never see him upset, and he always has a funny story to tell," Jones says.

Walters sees the Presbyterian headquarters every work day. His office located right next door in the Business First Building, where the newspaper also has offices.

Since March 1991, Walters has headed his own firm—Bravura Corp.—but still works closely with Humana and with Jones.

The architectural and design outfit is involved in a number of projects, but one sizeable one is the development of remaining buildings in the Belknap complex for Humana.

Along with San Francisco architect George Hargreaves, Bravura is also in charge of developing the \$115 million riverfront project for the Waterfront Development Corp.

Jones, who heads the fund-raising for the riverfront project, says bemusingly: "Jim started out working for me, but now I'm working for him."

State Sen. David Karem, Waterfront Development president, says Walters has "tremendous credentials" that enable him to tackle a project the size and scope of the riverfront—which calls for parks, a harbor and other public facilities.

Bravura is making a mark in other kinds of projects in addition to the riverfront, however.

Walters says Bravura has been retained by Metro United Way to evaluate space needs for the non-profit organization, which now works out of a 50,000-square-foot building at 334 E. Broadway.

Bravura has also been hired by the city of Elizabethtown to convert an old bank building into a new city hall and is doing some interior-design work for the developers of the Capital Holding Corp. office tower, which is beginning to take shape over the Louisville skyline.

"We develop ideas for clients," Walters says. "Those ideas may be architecture, but not necessarily."

As a young man, James J. Walters felt pulled to architecture naturally.

He says he was a better-than-average student in his high school drafting class, and always enjoyed sketching buildings and landscape during his growing-up years in Elkhart, Ind., a town of 45,000 near South Bend in the northern part of the Hoosier state.

His father was a tool-and-die maker, his mother a homemaker; they continue to live in Elkhart.

Jim Walters also has a younger sister. Because of his flair for drawing, Walters chose architecture as his college major.

"Dad told me that engineering would be more marketable for a job, but I decided to go into architecture," recalls Walters, who enrolled in a six-year program at the University of Cincinnati.

He graduated with a bachelor's degree in architecture in 1968, but not before he'd had the chance to serve an internship with a group of Cincinnati architects and got his first taste at hospital design.

At graduation time, Walters recalls, the draft board in Elkhart wanted to know how he intended to fulfill his military-service obligation. At the time, the Vietnam War was raging.

As it turned out, his architectural skills were exactly what was needed by the U.S. Public Health Service, which operates government hospitals.

He served 2½ years at a San Francisco hospital run by the government agency.

Following his service in 1970, he returned to Cincinnati and worked for an architectural firm that did work for Humana. It was a heady time for Humana, which was buying up or building hospitals all over the world.

"They were in the middle of a big growth spurt" when Walters went to work for the hospital chain in 1973. He worked for the company for 15 years.

"At the high-water mark, our department was responsible for \$380 million in construction projects in one year and 90 people worked for me," he says.

Walters and his staff developed Humana facilities in 30 states, and in England, Switzerland, Spain and Mexico.

Jones says that Walters did an excellent job.

"Jim combines artistic vision with the pragmatic ability" of finishing building projects on time and within budget, Jones says, "That's a rare combination."

While architect Michael Graves did the design and got the glory for the \$60 million Humana Building, Jones says, Walters played an instrumental role in its construction.

His Humana years shaped him, he says, working around such high-powered executives as Jones and the late Wendell Cherry.

"I was allowed to be innovative and never found my time with the company restrictive," he says. "I felt that our department had a lot of sway" in decisions.

"I had a lot of challenges come my way at Humana," he says. "It was kind of like a drug, in an intellectual sense."

During his Humana years, Walters contributed his talents to the design of many civic structures. The best known perhaps is the Kentucky Center For the Arts.

Marlow Burt, the center's president, says Walters toiled alongside him for four years on the project.

"He's always been part of our family over here," Burt says. "He's an immensely creative guy. He and his (Humana) staff supervised the work."

While he recognizes his talents, Walters seems embarrassed at hearing words of praise.

"I feel awkward about taking credit when I know a lot of other people work hard on projects," he says. "When you're not concerned with taking the limelight, you get more out of people."

Rowan Claypool, Bravura's marketing director and Walters' tennis partner Monday nights at Bellarmine College, says his boss stresses teamwork over strictly individual performance.

"He doesn't demand the spotlight and lets accolades go to others," Claypool says. "He wants to get the job done" through teamwork.

Over the last three years, Walters has begun to make his own individual mark on the regional architectural scene.

In 1989, he formed Main Street Realty for Jones to develop the former Belknap complex, which includes the Waterside Building.

Through Bravura, which he formed in March 1991, he will develop the remaining buildings in the complex.

When he's not busy building a new company, Walters is a devoted father to his two children: Nathan, 18, a freshman at the University of Notre Dame in Indiana, and Jennifer, 20, a junior majoring in graphic design at Walters' alma mater, the University of Cincinnati.

Walters, who is divorced, likes to cook gourmet food and relishes travels with his children. He has lived in the Highlands neighborhood for nearly 20 years.

Over the last few years, he has acted as his kids' tour guide to such places as Russia, Japan, Canada and Mexico.

The voluntary position that he's most proud of is his service as president of Stage One: Children's Theatre a few years ago.

"I was involved during the time that the theatre became a national touring group, and I traveled to Russia to open a play," he says.

Walters' future is solidly tied to Louisville and Bravura, he says.

"We have 12 people in the firm now, and I'd say that we could grow to as many as 30 to 40 people," he says. "I'd like for us to be a firm of national importance."

BIO: JAMES J. WALTERS

Title: President and chief executive officer, Bravura Corp.

Age: 48.

Hometown: Elkhart, Ind.

Education: Bachelor's degree, architecture, University of Cincinnati, 1968.

Family: Children: Jennifer, 20; Nathan, 18.

• **Mr. HARKIN.** Mr. President, today the Subcommittee on Disability Policy, which I chair, held a hearing on the Reauthorization of the Rehabilitation Act of 1973, as amended. One of the witnesses, Justin Dart, chair of the President's Committee on Employment of People With Disabilities, testified as an individual advocate for the rights and empowerment of people with disabilities. His statement was so eloquent that I thought it should be shared with the entire Senate not just my colleagues on the subcommittee. Justin's statement is particularly relevant with the second anniversary of the passage of the Americans With Disabilities Act occurring on July 26, 1992.

Mr. President, I ask that Mr. Dart's testimony be printed in the RECORD.

The testimony follows:

REMARKS BY JUSTIN DART ON THE REAUTHORIZATION OF THE REHABILITATION ACT, SENATE SUBCOMMITTEE ON DISABILITY POLICY, JUNE 30, 1992

Mr. Chairman, distinguished members of the subcommittee, it is a privilege to appear before the people who gave us the world's first comprehensive national civil rights law for people with disabilities.

Like our Constitution and Bill of Rights, ADA is a masterwork in the art of democracy—beautiful in its simplicity and mainstreet practicality—profoundly powerful in its utilization of minimal Government control to effect the ultimate productive fusion of equal opportunity and free enterprise democracy. It will lower the overhead and raise the quality and the productivity of the culture.

I am proud of President Bush, who signed ADA before 3,000 advocates on the south lawn of the White House, and who has empowered disability rights advocates to help implement the law.

I am proud of Senators Harkin, Hatch, Durenburger, Simon, Jeffords, Metzenbaum,

Adams, and Bob Silverstein, and all the courageous Members and staff of Congress who created ADA as a true declaration of equality.

And I am especially proud to be associated with each one of the 20th century patriots here today and around the Nation who pioneered the services, the jobs, the legislation, and the advocacy that made ADA possible.

Mr. Chairman, I address you today not as a Presidential appointee, but as an individual advocate for the rights and empowerment of people with disabilities.

ADA is magnificent. But ADA is not equality. It is not employment. ADA is a promise to be kept. It is morally and economically imperative for people with disabilities, and for the Nation, that ADA be fully implemented in every American community. We have made a great start.

But the promise of ADA cannot be kept without a strong, independence oriented Rehabilitation Act.

The Rehabilitation Act is a good law with a long record of solid contribution to the productivity and quality of life of people with disabilities. Like the model T and the DC 3 it has been so successful that it demands dynamic development to fulfill the magnificent potential which it has helped to create.

There are millions of people with disabilities previously assumed to be unemployable that we now know can be productive participants in the culture—if they have appropriate opportunities and services.

During the last year I have traveled to each of the 50 States to dialogue with more than 5,000 leaders of the disability community about the implementation of ADA and disability policy in the post ADA period.

People with disabilities called for vigorous, universal implementation of ADA and for a national disability policy designed to keep the promise of ADA—including affordable health care and personal assistance services for all; a fiber optics telecommunications system that is mandated by law to be affordable and accessible to all; reforms of the Social Security and rehabilitation systems.

There was an overwhelming consensus for a substantial revision of the Rehabilitation Act that would reflect and implement the spirit of ADA.

A majority felt that the basic counselor system should be retained, but that the philosophy, process and practice of independent living must be infused into every aspect of the Act.

There must be greatly increased control by people with disabilities of the entities, policies and processes that impact their lives.

The goal of every process, and the requirements for eligibility should be defined not only in terms of immediate salaried employment, but also in terms of maximizing abilities and opportunities to be productive of quality of life.

Salaried employment is always of primary concern. However there are many other kinds of productivity which contribute to the quality and quantity of the GNP and to the quality of individual and cultural life. There are many kinds of productivity which are indispensable prerequisites for salaried employment.

An arbitrary decision that an individual cannot be immediately employed is too often a self-fulfilling prophecy, and a sentence to life in poverty.

If we are to break through the two-thirds unemployment barrier that has frustrated us for decades, we must establish a science of empowering people to be productive, and we

must effect a revolutionary reallocation of resources in every process of society from paternalism, obsolete systems and self-indulgence to empowerment.

The Rehabilitation Act should be substantially expanded. It must not become a welfare law, but it would provide comprehensive, lifelong productivity services to all who need them.

There is a difference between welfare and rehabilitation. The test is empowerment to be productive.

The processes through which services are provided must be substantially streamlined and fully computerized on a national basis. Overhead, red tape and waiting time can be drastically reduced.

People must be treated as customers rather than dependents. There is no reason why a consumer of rehabilitation services should not be able to make a transaction with the same speed, efficiency, dignity and control as a client of Merrill Lynch.

Mr. Chairman, speaking as an individual citizen, I congratulate you on the draft reauthorization which your committee has prepared.

It does not contain all of the changes which I have described, but it does state a sound philosophical and policy blueprint for progress. Given the current political and economic reality, there is responsible movement toward empowerment.

I know that under your leadership—the leadership that brought us ADA—there will be further progress, now and in the future.

Mr. Chairman, we are in the midst of a cultural revolution which is unprecedented in all history. Science and free enterprise democracy give us the means to achieve a quality of existence heretofore assigned to myth and to heaven.

ADA and independence oriented rehabilitation are at the heart of the decisive pro-empowerment, pro-job, anti-paternalist, anti-debt policy which is supported in concept by the President, Members of both parties, and the majority of Americans. This policy is the only solution to the massive problems which challenge the Nation: unemployment, escalating welfare, the poverty gap, exploding deficits and debt.

But translating potential into reality is not going to be easy.

Inertia, perceptions of vested interest in obsolete systems and relationships, are dangerous barriers. ADA is still under attack by a well meaning but uninformed few. Demagogues pander to an unprecedented public passion for painless, quick fix solutions.

The magnitude of our personal responsibility is almost beyond comprehension.

We do well to recall that most initially successful democratic revolutions have failed in the implementation stage because of apathetic abdication of power to demagogues, and disunity among patriots.

If we unite in decisive leadership for empowerment, America, the world will follow. If we do not, people with disabilities will remain dependent and poor, and America and the world will be disabled. The results for our grandchildren will be beyond words and beyond tears.

Let us, as we dialogue about this reauthorization, maintain the positiveness and the unity that carried us to victory for ADA. Let us go forward together with the spirit of Gandhi and Martin Luther King, with love and with truth, with patient rationality, with militant firmness in the principles of equality and empowerment.

We must unite. We must act. We must win. Together, we have overcome. Together, we shall overcome. ●

SUPPORTING AMERICAN STEEL COMPANIES FILING TRADE CASES AGAINST UNFAIR FOREIGN IMPORTS

• Ms. MIKULSKI. Mr. President, I am here to stand up in support of America's steel industry and to fight for American jobs. Today major U.S. steel companies have announced that they are filing 48 separate trade cases against dumped and subsidized foreign steel.

It is time that America used its trade laws against unfair foreign imports. Seven thousand Baltimore workers and their families need fair trade in steel to keep their jobs. I am battling in every way I can to make sure those jobs are not lost.

I was in Dundalk, MD, the other day, and I talked to a steelworker from Bethlehem Steel who fought in the Korean war. He said to me, "Barb, I once fought for Korea, but now I need to know who is fighting for me against Korea?" I told him that is my job as a U.S. Senator—to fight for American jobs.

Our steelworkers helped build this country, and I want to make sure they can keep building in the 21st century. The steel industry has gotten a lot stronger and leaner in the 1980's, and I want to keep moving forward. That is why I introduced a resolution in April to call on the President to keep steel quotas in place—and keep them until we get a new international steel agreement.

But the President let those steel quotas die. He told our steelmakers to use America's trade laws to protect against any unfair foreign imports.

That is why we are here today—to make sure America's trade laws work for American workers. I am calling on the administration to enforce our laws against unfair imports. We cannot play politics with American jobs.

I will keep giving my all to make sure American steelworkers get a chance to compete fairly, not have their jobs stolen by foreign subsidies and dumping. Maryland's steelworkers deserve a fair deal so they will have their jobs today, and have their jobs tomorrow. •

JUNE IS NATIONAL FRESH FRUIT AND VEGETABLE MONTH

• Mr. SEYMOUR. Mr. President, United Fresh Fruit and Vegetable Association, the national trade organization representing the produce industry, has proclaimed June as National Fresh Fruit and Vegetable Month.

United created Fresh Month to help consumers better understand the tremendous benefits fresh fruits and vegetables can play as part of a health lifestyle. The month of June was chosen because of the abundance of fruits and vegetables available throughout the Nation during this month.

In accordance with dietary guidelines established by the U.S. Department of Agriculture and Health and Human Services, it is recommended Americans eat at least five servings of fruits and vegetables a day. Fresh Month includes the 5-a-day campaign, adopted by the National Cancer Institute, which teaches consumers of the importance of eating fruits and vegetables as part of a healthy diet.

United originally proclaimed June, Fresh Month in 1991. At that time, United targeted the top 16 media markets in the country to promote fresh fruits and vegetables. Due to the enthusiastic support for this promotion, United has since expanded its efforts to include an additional 12 media markets. Volunteer ambassadors representing each market, ranging from Atlanta to Los Angeles, coordinate produce shows and school tours, deliver fruits and vegetable baskets to popular public figures, conduct media interviews, and encourage supermarkets and restaurants to participate in the celebration.

Many of the volunteer ambassadors are planning special events and activities in their communities to celebrate Fresh Month. For instance, Los Angeles ambassador Jan DeLyser, executive director of the Fresh Produce Council, is organizing a basket brigade to deliver fruit promotional baskets to the largest media outlets in the city. In addition to Ms. DeLyser, California is represented by three other ambassadors helping to spread this important message throughout the State: Cathy Werblin of Primus Labs in Castro Valley; Bruce Moncrief of Stewart Packing in Salinas; and Joe Arbios of J.C. Produce in Sacramento.

Thanks to the hard work and dedication of these ambassadors, as well as the 24 others across the country, information detailing the substantial healthy benefits associated with a balanced diet including fresh fruits and vegetables is reaching consumers.

Fresh fruits and vegetables are essential in order to maintain a health and balanced diet. With a wide variety to choose from, consumers can enhance simple meals or enjoy a delicious snack. For these reasons, I join the United Fresh Fruit and Vegetable Association's celebration of June as National Fresh Fruit and Vegetable Month. •

NATIONAL FLOOD INSURANCE REFORM ACT OF 1992

• Mr. KERRY. Mr. President, yesterday Senator ALAN CRANSTON and I introduced the National Flood Insurance Reform Act of 1992, S. 2907. This bill is a compromise developed after months of discussions and negotiations involving environmentalists, property owners, lenders, the administration, officials of State and local governments, concerned Senators, and others.

Due to the interest this compromise legislation is generating, and to make it easier for those who want to examine its text carefully, I ask unanimous consent that the text of S. 2907 be printed in the RECORD in its entirety following my remarks, accompanied by my remarks and those of Senator CRANSTON on the Senate floor yesterday when the bill was introduced, a section-by-section analysis of the bill, and a short summary of its key components.

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

S. 2907

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 "National Flood Insurance Reform Act of 1992".

(b) TABLE OF CONTENTS.—

- Sec. 1. Short title; table of contents.
- Sec. 2. Congressional findings.
- Sec. 3. Declaration of purpose under the National Flood Insurance Act of 1968.
 - Subtitle A—Definitions
 - Sec. 111. Flood Disaster Protection Act.
 - Sec. 112. National Flood Insurance Act of 1968.
 - Subtitle B—Compliance and Increased Participation
 - Sec. 121. Existing flood insurance purchase requirements.
 - Sec. 122. Expanded flood insurance purchase requirements.
 - Sec. 123. Escrow of flood insurance payments.
 - Sec. 124. Penalty for failure to require flood insurance or notify.
 - Sec. 125. Ongoing compliance with flood insurance purchase requirements.
 - Sec. 126. Notice requirements.
 - Sec. 127. Standard hazard determination forms.
 - Sec. 128. Federal Financial Institutions Examination Council.
 - Sec. 129. Conforming amendment.
 - Subtitle C—Ratings and Incentives for Community Floodplain Management Programs
 - Sec. 131. Community rating system and incentives for community floodplain management.
 - Sec. 132. Funding.
 - Subtitle D—Mitigation of Flood and Erosion Risks
 - Sec. 141. Office of mitigation assistance in Federal insurance administration.
 - Sec. 142. Mitigation assistance program.
 - Sec. 143. Establishment of National Flood Mitigation Fund.
 - Sec. 144. Insurance premium mitigation surcharge.
 - Sec. 145. Mitigation transition pilot program.
 - Sec. 146. Repeal of program for purchase of certain insured properties.
 - Sec. 147. Community erosion hazard identification.
 - Sec. 148. Premium increase for flood and erosion dual risk hazard areas.
 - Sec. 149. Claims for imminent collapse and subsidence.
 - Sec. 150. Limitation on availability of flood insurance for properties in erosion hazard areas.

- Sec. 151. Riverine erosion study.
 Sec. 152. Coordination with coastal zone management programs.
 Sec. 153. Loans secured by uninsured structures.
- Subtitle E—Flood Insurance Task Force
- Sec. 161. Flood insurance interagency task force.
- Subtitle F—Miscellaneous Provisions
- Sec. 171. Maximum flood insurance coverage amounts.
 Sec. 172. Flood insurance program arrangements with private insurance entities.
 Sec. 173. Flood insurance maps.
 Sec. 174. Regulations.
 Sec. 175. Flood control restoration zone.
 Sec. 176. Study of agricultural buildings.
 Sec. 177. Increased cost of construction study.
 Sec. 178. Floodplain management implementation report.

SEC. 2. CONGRESSIONAL FINDINGS.

- The Congress finds that—
- (1) with respect to flood damage, a structured prefunded insurance program is preferable to a response based on post-disaster relief;
- (2) the Federal Government and State and local governments must work together to successfully carry out the national flood insurance program;
- (3) a Federal flood insurance program that combines predisaster mitigation efforts together with an insurance and compliance program will reduce the physical and economic effects of flood damage on the Federal Government, State, and local governments, and individuals;
- (4) the national flood insurance program and the citizens of the United States have benefited from a low incidence of major storms and hurricanes in recent years;
- (5) the present reserve in the national flood insurance program of nearly \$400,000,000 remains extremely vulnerable to another major storm causing billions of dollars in damage claims, which could deplete the national flood insurance fund, exacerbate the Federal budget deficit, and threaten the safety and soundness of financing institutions holding uninsured mortgages on properties in flood-prone areas;
- (6) only 1,900,000 of an estimated 11,000,000 buildings in special flood hazard areas are protected by flood insurance;
- (7) the number of properties insured against floods remained roughly constant during the 1980's despite continuing growth in real estate activity in coastal, lakeshore, and riverine areas;
- (8) encouraging flood insurance coverage for structures subject to private mortgages (in addition to those subject to federally related mortgages) will result in a more comprehensive flood-risk insurance program;
- (9) the floodplain management and land use and control measures adopted by communities participating in the national flood insurance program have resulted in lower claims for structures constructed in compliance with such measures;
- (10) the national flood insurance program should require and provide for notification regarding flood insurance purchase requirements under the program to homeowners, mortgage lenders, and mortgage servicers;
- (11) lending to aid development of areas within the Coastal Barrier Resources System is inherently risky and can affect the financial condition of federally insured financial institutions;
- (12) the Federal regulatory agencies for depository and nondepository institutions

should, in the course of examinations of institutions, pay particular attention to the quality of loans that would aid the development of coastal barriers within the Coastal Barrier Resources System;

(13) incentives in the form of reduced premium rates for flood insurance under the national flood insurance program should be provided in communities that have adopted and enforced exemplary or particularly effective measures for floodplain management and coastal erosion hazard area management;

(14) a community-based approach to mitigation and erosion management, to reduce losses in floodplains, is the most comprehensive, effective, and cost-efficient method of minimizing losses in floodplains and reducing disaster assistance expenditures;

(15) such community-based mitigation and loss prevention methods should be incorporated in the national flood insurance program;

(16) unprecedented growth in population and development has occurred along coasts and rivers of the United States and it is estimated that a significant portion of the United States population is exposed to the hazard of floods, flooding disasters, and erosion damage;

(17) repeat claims, which involve about 2 percent of total insured properties, account for 32 percent of the total losses from the flood insurance fund, amounting to over \$1,000,000,000 since January 1978;

(18) given the problems of homelessness and housing shortages in the United States, many usable homes located in high risk areas that are being destroyed should be removed to safer areas and used;

(19) no comprehensive Federal program exists to assist in the removal of structures out of high risk areas, such as regulatory floodways and coastal high hazard zones, before disaster strikes;

(20) flood and erosion hazards can be significantly reduced by deterring development in wetlands and open-space and recreational areas;

(21) gradual, long-term retreat of portions of the Nation's coastline and the resulting inland advancement of flood hazards is increasing the exposure of insured structures to flood damages;

(22) coastal erosion management can provide a variety of mitigation alternatives to reduce erosion losses to existing structures and protect new structures from erosion losses, thereby reducing Federal expenditures due to erosion;

(23) delineation of coastal erosion hazard areas and providing communities incentives to manage those areas will lead to safer development along the Nation's shorelines, and will reduce Federal expenditures due to erosion damage;

(24) since enactment 4 years ago, section 1306(c) of the National Flood Insurance Act of 1968 has not functioned as envisioned or intended and has resulted in a preference for demolition of buildings subject to erosion damage, which is more costly than relocating structures;

(25) there has been a recognized need for the Federal Emergency Management Agency to formally assess, on an ongoing basis, the accuracy of flood hazard maps for communities, thereby ensuring that maps are updated and revised in a timely fashion as needed;

(26) the level of flood insurance coverage that an individual can purchase has not been increased since 1977;

(27) due to substantial increases in construction costs, many property owners are

prevented from purchasing flood insurance for the replacement value of the building, potentially resulting in an owner not receiving a payment to fully restore flood-damaged property;

(28) wise use of the floodplain minimizes adverse impacts upon the natural and beneficial functions of the floodplain, such as moderation of flooding, retention of floodwaters, reduction of erosion and sedimentation, preservation of water quality, groundwater recharge, and provision of fisheries and wildlife habitat; and

(29) the relative rise of sea level and the rise in water levels of the Great Lakes exposes the national flood insurance program to greater risks, and such risks must be adequately considered under the program.

SEC. 3. DECLARATION OF PURPOSE UNDER THE NATIONAL FLOOD INSURANCE ACT OF 1968.

Section 1302(e) of the National Flood Insurance Act of 1968 (42 U.S.C. 4001(e)) is amended—

(1) by redesignating clauses (3), (4), and (5), as clauses (4), (5), and (6), respectively; and

(2) by inserting after the comma at the end of clause (2) the following: "(3) encourage State and local governments and Federal agencies to protect natural and beneficial floodplain functions that reduce flood-related losses.".

Subtitle A—Definitions

SEC. 111. FLOOD DISASTER PROTECTION ACT.

(a) IN GENERAL.—Section 3(a) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4003(a)) is amended—

(1) by striking paragraph (5) and inserting the following new paragraph:

"(5) 'Federal entity for lending regulation' means the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Office of Thrift Supervision, and the National Credit Union Administration, and with respect to a particular regulated lending institution means the entity primarily responsible for the supervision, approval, or regulation of the institution;"

(2) in paragraph (6), by striking the period at the end and inserting a semicolon; and

(3) by inserting after paragraph (6) the following new paragraphs:

"(7) 'lender' includes any regulated lending institution and Federal agency (to the extent the agency makes direct loans subject to the provisions of this Act), but does not include any agency engaged primarily in the purchase of mortgage loans;

"(8) 'regulated lending institution' means any bank, savings and loan association, credit union, or similar institution subject to the supervision, approval, regulation, or insuring of a Federal entity for lending regulation;

"(9) 'portfolio review' means a review of all or a portion of a lender's outstanding loans secured by improved real estate or a manufactured home to determine—

"(A) whether the building or manufactured home is located in an area that has been identified by the Director as an area having special flood hazards and in which flood insurance has been made available under the National Flood Insurance Act of 1968; and

"(B) if so located, whether the building or manufactured home is covered for the term of the loan by flood insurance in the amount required by the National Flood Insurance Act of 1968;"

(b) CONFORMING AMENDMENTS.—

(1) REQUIREMENTS TO PURCHASE FLOOD INSURANCE.—Section 102(b) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a(b)) is amended by striking "Each Federal in-

strumentality responsible for the supervision, approval, regulation, or insuring of banks, savings and loan associations, or similar institutions shall by regulation direct such institutions" and inserting "Each Federal entity for lending regulation shall by regulation direct regulated lending institutions".

(2) EFFECT OF NONPARTICIPATION IN FLOOD INSURANCE PROGRAM.—Section 202(b) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4106(b)) is amended by striking "Federal instrumentality described in such section shall by regulation require the institutions" and inserting "Federal entity for lending regulation and the appropriate head of each Federal agency acting as a lender, shall by regulation require the lenders".

SEC. 112. NATIONAL FLOOD INSURANCE ACT OF 1968.

(a) IN GENERAL.—Section 1370(a) of the National Flood Insurance Act of 1968 (42 U.S.C. 4121(a)) is amended—

(1) in paragraph (5), by striking "and" at the end;

(2) in paragraph (6), by striking the period at the end and inserting a semicolon; and

(3) by inserting after paragraph (6) the following new paragraphs:

"(7) the term 'coastal' means relating to the coastlines and bays of the tidal waters of the United States or the shorelines of the Great Lakes, but does not refer to bayous or riverine areas;

"(8) the term 'Federal entity for lending regulation' means the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Office of Thrift Supervision, and the National Credit Union Administration, and with respect to a particular regulated lending institution means the entity primarily responsible for the supervision, approval, or regulation of the institution;

"(9) the term 'lender' includes any regulated lending institution and Federal agency (to the extent the agency makes direct loans subject to the provisions of this Act), but does not include any agency engaged primarily in the purchase of mortgage loans;

"(10) the term 'natural and beneficial floodplain functions' means—

"(A) the functions associated with the natural or relatively undisturbed floodplain that moderate flooding, retain flood waters, or reduce erosion and sedimentation, and

"(B) ancillary beneficial functions, including maintenance of water quality, recharge of ground water, and provision of fish and wildlife habitats;

"(11) the term 'erosion-prone area' means an area along the coast including, but not limited to, embayments, inlets, fjords, sounds, and deltas, where waves and other forces are anticipated to cause significant erosion or avulsion within the next 60 years and may result in the damage or loss of buildings and infrastructure; and

"(12) the term 'bayou' means a slow-moving stream that follows a winding course through alluvial lowlands, coastal swamps or river deltas, in the lower Mississippi River basin, that does not open directly onto the Gulf of Mexico."

(b) CONFORMING AMENDMENT.—Section 1322(d) of the National Flood Insurance Act of 1968 (42 U.S.C. 4029(d)) is amended by striking "federally supervised, approved, regulated, or insured financial institution" and inserting "regulated lending institution".

Subtitle B—Compliance and Increased Participation

SEC. 121. EXISTING FLOOD INSURANCE PURCHASE REQUIREMENTS.

Section 102(a) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a(a)) is amended—

(1) by inserting "(1)" after "(a)"; and

(2) by adding at the end the following new paragraph:

"(2) Paragraph (1) may not be construed to permit the provision of any amount of financial assistance with respect to any building or manufactured home and related personal property for which flood insurance is required under such paragraph, unless the requirements under such paragraph are complied with in full. The prohibitions and requirements under paragraph (1) relating to financial assistance may not be waived for any purpose."

SEC. 122. EXPANDED FLOOD INSURANCE PURCHASE REQUIREMENTS.

(a) IN GENERAL.—Section 102(b) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a(b)), as amended by the preceding provisions of this Act, is further amended—

(1) by inserting "(1)" after "(b)";

(2) by adding at the end the following new paragraphs:

"(2) A Federal agency may not make, increase, extend, or renew any loan secured by improved real estate or a mobile home located or to be located in an area that has been identified by the Director of the Federal Emergency Management Agency as an area having special flood hazards and in which flood insurance has been made available under the National Flood Insurance Act of 1968, unless the building or mobile home and any personal property securing such loan is covered for the term of the loan by flood insurance in the amount provided in paragraph (1). After the expiration of the 5-year period beginning on the date of enactment of the National Flood Insurance Reform Act of 1992, each Federal agency shall require that each of its loans then outstanding that is secured by improved real estate or by a mobile home that is located in an area which has been identified by the Director of the Federal Emergency Management Agency as an area having special flood hazards and in which flood insurance has been made available under the National Flood Insurance Act of 1968, be covered for the term of the loan by flood insurance in the amount provided in paragraph (1). The head of each Federal agency acting as a lender shall issue any regulations necessary to carry out this paragraph. Such regulations shall be consistent with and substantially identical to the regulations issued under paragraphs (1) and (2).

"(3) Notwithstanding any other Federal or State law, any lender may charge the borrower a reasonable fee (as determined by the Director) for the costs of determining whether the improved real estate or mobile home securing the loan is located in an area of special flood hazards, but only if such determination is made pursuant to the making, increasing, extending, or renewing of a loan described under paragraph (1), (2), or (3) that is initiated by the borrower.

"(4) If a borrower under a loan disputes or challenges the determination of the lender that the improved real estate or mobile home securing the loan is located in an area of special flood hazards, the lender shall review its determination, taking into consideration information that is relevant, as determined by the Director of the Federal Emergency Management Agency, that is submit-

ted to the lender or servicer by the borrowers. The lender or servicer may rely upon the determination that a property is in an area that has been designated by the Director as an area having special flood hazards whenever such designation has been provided by a person who guarantees the accuracy of the information in accordance with section 1365(d) and such regulations as the Federal Emergency Management Agency shall provide. The borrower may submit information to rebut that determination in accordance with such regulations as may be necessary to carry out this section. The Director of the Federal Emergency Management Agency shall issue such regulations not later than 6 months after the date of enactment of this paragraph."

(b) APPLICABILITY AND DETERMINATIONS.—

(1) IN GENERAL.—The amendment made by subsection (a)(2) shall apply only with respect to—

(A) any loan made, increased, extended, or renewed after the expiration of the 1-year period beginning on the date of the enactment of this Act; and

(B) any loan outstanding after the expiration of the 5-year period beginning on the date of the enactment of this Act.

(2) REQUIRED DETERMINATIONS REGARDING COMPLIANCE.—

(A) IN GENERAL.—Except as provided in paragraph (3), each Federal entity for lending regulation shall by regulation require each such lender to conduct a review of all loans of the lender outstanding upon the expiration of the 5-year period beginning on the date of the enactment of this Act. The review shall determine whether such loans are in compliance with the flood insurance purchase requirements under section 102(b) of the Flood Disaster Protection Act of 1973. Not later than the expiration of the period, each regulated lending institution shall evidence the results of the determination and compliance of each such loan with the requirements under such section 102(b) using the standard hazard determination form under section 1365 of the National Flood Insurance Act of 1968.

(B) FEE FOR CONDUCTING DETERMINATIONS.—A lender may charge to the applicant under a loan of the lender that is outstanding on the date of the enactment of the National Flood Insurance Reform Act of 1992 a reasonable fee for costs of making a determination for such loan in connection with a review under subparagraph (A). The fee may not exceed the reasonable costs of making a determination (as established by the Director), may be charged only for a determination made within 5 years after the date of the enactment of this Act, and may be charged only once with respect to each such loan.

(3) EXEMPT LENDERS.—A lender shall not be required to conduct a review under paragraph (2) if—

(A) the lender—

(i) during the 36-month period ending on the date of the enactment of the National Flood Insurance Reform Act of 1992, has conducted a review of all loans held by the lender (to the satisfaction of the appropriate Federal entity for lending regulation, for purposes of determining compliance of the loans with the requirements under section 102(b) of the Flood Disaster Protection Act of 1973); and

(ii) upon the expiration of the 36-month period, is regularly providing for escrow of flood insurance premiums and fees for any loans held by the lender (for which flood insurance is required) in a manner substantially in compliance with the provisions of

section 102(d) of such Act (as added by section 203(a)); or

(B) before the expiration of the 5-year period beginning on the date of the enactment of this Act, the lender conducts a review of not less than 5 percent of all loans held by the lender (or such lesser number of loans held by the lender, which number and review criteria shall be established by the Director, after consultation and coordination with the Federal Financial Institutions Examination Council, and Federal agencies under this section, and shall be statistically valid and significant for purposes of the loan review under this subparagraph) for purposes of analyzing the accuracy of the lender's outstanding determination regarding the applicability of the flood insurance purchase requirements (under section 102(b) of the Flood Disaster Protection Act of 1973) with respect to the loans, and demonstrates (to the satisfaction of the Federal entity for regulation) that—

(i) the lender's outstanding determination regarding the applicability of flood insurance purchase requirements is correct with respect to not less than 90 percent of the loans reviewed; and

(ii) if any loans reviewed that are secured by property for which flood insurance is required under section 102(b) of the Flood Disaster Protection Act of 1973, not less than 90 percent of such properties are covered by a policy in force for flood insurance in the required amount.

The requirement for minimum accuracy percentages in the preceding sentence is a one-time standard applicable only to the portfolios of mortgage loans existing on the date of enactment of this Act for the purpose of determining the need for further portfolio review and are not intended as a standard of accuracy for loans closed after the date of enactment of this Act, nor as a measure of compliance with any other regulations or guidelines of Federal regulatory agencies or instrumentalities.

(c) REQUIRED PURCHASE OF FLOOD INSURANCE.—Section 102 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a) is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

“(c)(1) Notwithstanding any other Federal, State or local law or regulation, if, during the term of a loan secured by improved real estate or by a mobile home located in an area that has been identified by the Director as an area having special flood hazards and in which flood insurance has been made available under this title, a lender or servicer discovers that the building or mobile home and any personal property securing such loan held or serviced by a lender or servicer is not covered by any flood insurance or is not covered by flood insurance in an amount at least equal to the amount required by subsection (b)(1), a lender or servicer shall request the borrower to obtain, at the borrower's expense, an amount of flood insurance that is at least the amount required by subsection (b)(1), for the term of the loan. If the borrower fails to purchase such additional flood insurance and the lender has complied with all notification requirements subject to this Act, a lender or servicer shall purchase such insurance on behalf of the borrower and may charge the borrower for the actual cost of premiums and fees incurred by a lender or servicer to purchase such flood insurance.

“(2) Subsection (c)(1) shall apply to all loans outstanding on or after the effective date of this section.”.

SEC. 123. ESCROW OF FLOOD INSURANCE PAYMENTS.

(a) **IN GENERAL.**—Section 102 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a) is amended by adding at the end the following new subsection:

“(d)(1) For loans secured by residential real estate, each Federal entity for lending regulation, after consultation and coordination with the Federal Financial Institutions Examination Council, shall by regulation direct that, if the lender or other servicer of loans requires the escrowing of taxes, insurance premiums, fees, or other charges, then any charges under the National Flood Insurance Act of 1968 for the residential real estate shall be paid to the lender or servicer of the loan. Premiums, fees, and other charges paid to the lender or servicer shall be paid in a manner sufficient to make payment as due for the duration of the period during which the lender or servicer maintains an escrow account. Upon receipt of the premiums, fees, or other charges, the lender or servicer of the loan shall deposit the premiums, fees, or other charges in an escrow account on behalf of the borrower. Upon receipt of a notice from the Director or the provider of the insurance that insurance premiums, fees, or other charges are due, the lender or servicer shall pay from the escrow account to the provider of the insurance the amount of insurance premiums, fees, and other charges owed.

“(2) The appropriate head of each Federal agency acting as a lender shall by regulation require and provide for escrow and payment of any flood insurance premiums and fees relating to residential property securing loans made by the agency under the circumstances and in the manner provided under paragraph (1). Any regulations issued under this paragraph shall be consistent with and substantially identical to the regulations issued under paragraph (1).

“(3) Escrow accounts established pursuant to this subsection shall be subject to the provisions of section 10 of the Real Estate Settlement Procedures Act of 1974.

“(4)(A) Notwithstanding any State or local law, the Federal entities for lending regulation, and the appropriate heads of Federal agencies acting as lenders, shall by regulation direct that any lender or servicer who purchases flood insurance or renews a contract for flood insurance where it is required on behalf of, or as an agent of, a borrower of a loan secured by residential real estate for which (i) flood insurance is required, and (ii) an escrow account for payment of taxes, insurance premiums, or other charges has not been established, shall provide to the borrower written notice of the purchase or renewal (as the Director determines appropriate), on at least 2 separate occasions before the purchase or renewal.

“(B) The notice under this paragraph shall contain the following information:

“(i) A statement that the lender will purchase or renew the flood insurance on behalf of or as an agent of the borrower.

“(ii) The date on which such purchase or renewal will occur.

“(iii) The cost of the insurance coverage as purchased or renewed by the lender.

“(iv) A statement that the borrower may avoid the purchase or renewal by the lender by purchasing flood insurance coverage under the national flood insurance program or from private insurers, either of which may be available at a lower cost.

“(v) Any other information that the Director considers appropriate.”.

(b) **APPLICABILITY.**—The amendment made by subsection (a) shall apply with respect to—

(1) any loan made, increased, extended, or renewed after the expiration of the 1-year period beginning on the date of the enactment of this Act; and

(2) any loan outstanding after the expiration of the 5-year period beginning on the date of the enactment of this Act.

SEC. 124. PENALTY FOR FAILURE TO REQUIRE FLOOD INSURANCE OR NOTIFY.

Section 102 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

“(e)(1) Any regulated lending institution that is found to have a pattern or practice of committing violations under paragraph (2) shall be assessed a civil penalty by the appropriate Federal entity for lending regulation of not more than \$350 for each such violation. A penalty under this subsection may be issued only after notice and an opportunity for a hearing on the record.

“(2) The violations referred to in paragraph (1) shall be—

“(A) after the date of the enactment of the National Flood Insurance Reform Act of 1992, making, increasing, extending, or renewing a loan in violation of escrow requirements under subsection (d) of this section; and

“(B) with respect to any loan made, increased, extended or renewed after the expiration of the 1-year period beginning on such date of enactment and any loan outstanding after the expiration of the 5-year period beginning on such date of enactment, making, increasing, extending, or renewing any such loan in violation of the regulations issued pursuant to subsection (b) of this section or the notice requirements under section 1364 of the National Flood Insurance Act of 1968.

“(3) The total amount of penalties assessed under this subsection against any single lender for any calendar year may not exceed \$100,000.

“(4) Notwithstanding any State or local law or regulation, for purposes of this subsection, any lender or servicer that purchases flood insurance or renews a contract for flood insurance on behalf of or as an agent of a borrower of a loan for which flood insurance is required shall be considered to have complied with the regulations issued under subsection (b).

“(5) Any sale or other transfer of a loan by a lender who has committed a violation under paragraph (1), that occurs subsequent to the violation, shall not affect the liability of the transferring lender with respect to any penalty under this subsection. A lender or servicer shall not be liable for any violations relating to a loan committed by another lender or servicer who previously held the loan.

“(6) Any penalties collected under this subsection shall be paid into the National Flood Mitigation Fund established under section 1367 of the National Flood Insurance Act of 1968.

“(7) Any penalty under this subsection shall be in addition to any civil remedy or criminal penalty otherwise available.

“(8) No penalty may be imposed under this subsection for any violation under paragraph (1) after the expiration of the 5-year period beginning on the date of the occurrence of the violation.”.

SEC. 125. ONGOING COMPLIANCE WITH FLOOD INSURANCE PURCHASE REQUIREMENTS.

(a) IN GENERAL.—Section 102 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

“(f)(1) Except as provided in paragraphs (2), (3), and (4), before the sale or transfer of any loan secured by improved real estate or a mobile home, the seller or transferor of the loan shall determine whether the property is in an area that has been designated by the Director as an area having special flood hazards. The seller or transferor shall, before sale or transfer, notify the purchaser or transferee and any servicer of the loan in writing regarding the results of the determination. A determination under this paragraph shall be evidenced using the standard hazard determination form under section 1365 of the National Flood Insurance Act of 1968.

“(2) For any loan secured by improved real estate or a mobile home, a determination and notice under paragraph (1) shall not be required if, during the 5-year period ending on the date of the sale or transfer of the loan—

“(A) a determination and notice under paragraph (1) has been made for the property secured by the loan; or

“(B)(i) the loan has been made, increased, extended, or renewed; and

“(ii) the lender making, increasing, extending, or renewing the loan was subject, at the time of such transaction, to regulations issued pursuant to paragraph (1), (2), or (3) of subsection (b).

“(3)(A) For any loan secured by improved real estate or a mobile home that is sold or transferred by the Federal Deposit Insurance Corporation acting in its corporate capacity or in its capacity as conservator or receiver, the purchaser or transferee of the loan shall determine whether the property is in an area that has been designated by the Director as an area having special flood hazards.

“(B) Such determination and notice shall not be required for any loan—

“(i) sold or transferred to an entity under the control of the Federal Deposit Insurance Corporation; or

“(ii) for which the purchaser or transferee exercises any available option to transfer or put the loan back to the Federal Deposit Insurance Corporation.

“(C) A purchaser or transferee of a loan required to make a determination and notification under subparagraph (A) shall notify the flood insurance insurer of record, if any, and any servicer of the loan of the results of the determination (using the standard hazard determination form under section 1365 of the National Flood Insurance Act of 1968) before the expiration of the 90-day period beginning on the later of (i) the purchase or transfer of the loan, or (ii) the expiration of any option that the purchaser or transferee may have to transfer or put the loan back to the Federal Deposit Insurance Corporation.

“(4)(A) For any loan secured by improved real estate or a mobile home that is sold or transferred by the Resolution Trust Corporation acting in its corporate capacity or in its capacity as a conservator or receiver, the purchaser or transferee of the loan shall determine whether the property is in an area that has been designated by the Director as an area having special flood hazards if—

“(i) the Resolution Trust Corporation acquires the loan after the date of the effectiveness of this subsection and sells or transfers the loan before the expiration of the 12-

month period beginning on such effective date; or

“(ii) the Corporation holds the loan on the date of the effectiveness of this subsection and sells or transfers the loan before the expiration of the 6-month period beginning on such effective date.

“(B) A purchaser or transferee of a loan required to make a determination and notification under subparagraph (A) shall notify the flood insurance insurer of record, if any, and any servicer of the loan of the results of the determination (using the standard hazard determination form under section 1365 of the National Flood Insurance Act of 1968) before the expiration of the 90-day period beginning upon the purchase or transfer of the loan.”

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply with respect to any loan outstanding or entered into after the expiration of the 1-year period beginning on the date of the enactment of this Act.

SEC. 126. NOTICE REQUIREMENTS.

Section 1364 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104a) is amended to read as follows:

“NOTICE REQUIREMENTS

“SEC. 1364. (a) NOTIFICATION OF SPECIAL FLOOD HAZARDS.—

“(1) LENDING INSTITUTIONS.—Each Federal entity for lending regulation, after consultation and coordination with the Federal Financial Institutions Examination Council, shall by regulation require such institutions, as a condition of making, increasing, extending, or renewing any loan secured by improved real estate or a mobile home located or to be located in an area that has been identified by the Director under this title or the Flood Disaster Protection Act of 1973 as an area having special flood hazards, to notify the purchaser or lessee (or obtain satisfactory assurances that the seller or lessor has notified the purchaser or lessee) and the servicer of the loan of such special flood hazards, in writing, within a reasonable time as determined by the Director, before execution of the lease or mortgage. The regulations shall also require that the lenders or servicers retain a record of the receipt of the notices by the purchaser or lessee.

“(2) FEDERAL AGENCIES AS LENDERS.—The appropriate head of each Federal agency acting as a lender shall by regulation require notification in the manner provided under paragraph (1) with respect to any loan that is outstanding or is made by the agency and secured by improved real estate or a mobile home located or to be located in an area that has been identified by the Director under this title or the Flood Disaster Protection Act of 1973 as an area having special flood hazards. Any regulations issued under this paragraph shall be consistent with and substantially identical to the regulations issued under paragraph (1).

“(3) CONTENTS OF NOTICE.—Written notification required under this subsection shall include—

“(A) a warning, in a form to be established in consultation with and subject to the approval of the Director, stating whether or not the real estate or mobile home securing the loan is located or is to be located in an area designated as having special flood hazards that exist at the time that the loan is made, extended, renewed, or refinanced; and further, warning that a subsequent remapping of an area could result in the subject property, which is not currently designated as falling within the special flood hazard area, at some future time being subject to a requirement to maintain flood insurance be-

cause of a change in the designation of the special flood hazard area;

“(B) a description of the flood insurance purchase requirements under section 102(b) of the Flood Disaster Protection Act of 1973;

“(C) a statement that flood insurance coverage may be purchased under the national flood insurance program and is also available from private insurers; and

“(D) any other information that the Director considers necessary to carry out the purposes of the national flood insurance program.

“(b) NOTIFICATION OF CHANGE OF LOAN HOLDER AND SERVICER.—

“(1) LENDING INSTITUTIONS.—Each Federal entity for lending regulation, after consultation and coordination with the Federal Financial Institutions Examination Council, shall by regulation require such institutions, as a condition of making, increasing, extending, renewing, selling, or transferring any loan described in subsection (a)(1), to notify the flood insurance insurer of record, if any, in writing during the term of the loan of the owner and servicer of the loan. Such institutions shall also notify the flood insurance insurer of record, if any, of any change in the owner or servicer of the loan, not later than 60 days after the effective date of such change. The regulations under this subsection shall provide that upon any sale or transfer of a loan, the duty to provide notification under this subsection shall transfer to the transferee of the loan.

“(2) FEDERAL AGENCIES AS LENDERS.—The appropriate head of each Federal agency acting as a lender shall by regulation provide for notification in the manner provided under paragraph (1) with respect to any loan described in subsection (a)(1) that is made by the agency. Any regulations issued under this paragraph shall be consistent with and substantially identical to the regulations issued under paragraph (1) of this subsection.

“(c) NOTIFICATION OF EXPIRATION OF INSURANCE.—The flood insurance insurer of record, if any, shall, not less than 45 days before the expiration of any contract for flood insurance under this title, issue notice of such expiration by first class mail to the owner of the property, the servicer of any loan secured by the property covered by the contract, and the owner of the loan, when known.”

SEC. 127. STANDARD HAZARD DETERMINATION FORMS.

Chapter III of the National Flood Insurance Act of 1968 (42 U.S.C. 4101 et seq.) is amended by adding at the end the following new section:

“STANDARD HAZARD DETERMINATION FORMS

“SEC. 1365. (a) DEVELOPMENT.—The Director, in consultation with representatives of the mortgage and lending industry, the Federal entities for lending regulation, the Federal agencies acting as lenders, and any other appropriate individuals, shall develop standard written and electronic forms for applications relating to real estate loans and mortgages for determining flood hazard exposure of a property.

“(b) DESIGN AND CONTENTS.—

“(1) PURPOSE.—The form under subsection (a) shall be designed to facilitate a determination of the exposure to flood hazards of structures located on the property to which the loan application relates. The form shall be consistent with and appropriate to facilitate compliance with the provisions of this title.

“(2) CONTENTS.—The form shall contain, at a minimum, sufficient information to indi-

cate the flood zone location of a property, the source of information used in making that determination and other relevant data that will provide evidence of compliance with the intent of the Congress, as contained in sections 1364 and 1365 of this Act. The form may also be designed and used for other purposes that carry out the intent of the National Flood Insurance Program.

“(c) REQUIRED USE.—The Federal entities for lending regulation shall by regulation require the use of the form under this section by regulated lending institutions. The appropriate head of each Federal agency acting as a lender shall by regulation provide for the use of the form with respect to any loan made by such agency. The Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation shall by regulation require use of the form in connection with loans purchased by such corporations.

“(d) GUARANTEES REGARDING INFORMATION.—In providing information regarding special flood hazards on the form developed under this section any lender making, increasing, extending, or renewing a loan secured by improved real estate or a mobile home may provide for the acquisition or determination of such information to be made by a person other than such institution, only to the extent such person guarantees the accuracy of the information. The Director shall by regulations establish requirements relating to the nature and manner of such guarantees.

“(e) ELECTRONIC FORM.—The Federal entities for lending regulation, and the appropriate head of each Federal agency acting as a lender shall by regulation require any lender using the electronic form developed under this section with respect to any loan to make available upon the request of such Federal entity, Secretary, or agency head, a written form under this section for such loan within 48 hours after such request.”

SEC. 128. FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL.

Section 1006 of the Federal Financial Institutions Examination Council Act of 1978 (12 U.S.C. 3305) is amended by adding at the end the following new subsection:

“(g) The Council shall consult and assist the Federal entities for lending regulation and the Director in developing and coordinating uniform standards and requirements for use by lenders as provided under the National Flood Insurance Act of 1968 and the Flood Disaster Protection Act of 1973.”

SEC. 129. CONFORMING AMENDMENT.

The section heading for section 102 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a) is amended to read as follows:

“FLOOD INSURANCE PURCHASE AND COMPLIANCE REQUIREMENTS AND ESCROW ACCOUNTS”.

Subtitle C—Ratings and Incentives for Community Floodplain Management Programs

SEC. 131. COMMUNITY RATING SYSTEM AND INCENTIVES FOR COMMUNITY FLOODPLAIN MANAGEMENT.

Section 1315 of the National Flood Insurance Act of 1968 (42 U.S.C. 4022) is amended—

(1) by inserting after “SEC. 1315.” the following: “(a) REQUIREMENT FOR PARTICIPATION IN FLOOD INSURANCE PROGRAM.—”; and

(2) by adding at the end the following new subsection:

“(b) COMMUNITY RATING SYSTEM AND INCENTIVES FOR COMMUNITY FLOODPLAIN MANAGEMENT.—

“(1) AUTHORITY AND GOALS.—The Director shall carry out a community rating system program to evaluate the measures adopted by areas (and subdivisions thereof) in which

the Director has made flood insurance coverage available to provide for adequate land use and control provisions consistent with the comprehensive criteria for such land management and use under section 1361, to facilitate accurate risk-rating, to promote flood insurance awareness, and to complement adoption of more effective measures for floodplain and coastal erosion management.

“(2) EROSION MANAGEMENT CRITERIA.—The Director shall establish appropriate land management and use standards designed to encourage adoption of State and local measures to mitigate the effects of erosion hazards in erosion-prone communities. The standards shall provide for—

“(A) consideration of the severity of erosion hazards and risks;

“(B) restriction of land development that is exposed to erosion damage;

“(C) improvement of long-range use and management of erosion-prone areas;

“(D) encouragement for State and local adoption of more stringent measures;

“(E) guidance of all construction and development away from locations of greatest erosion hazard;

“(F) guidance of residential structures away from locations subject to significant erosion hazard;

“(G) guidance of nonresidential structures and residential structures greater than 5,000 square feet away from locations subject to moderate erosion hazard; and

“(H) establishment of construction standards to assure that structures built on locations subject to moderate erosion hazards are readily movable in the future when the erosion risks and hazards have increased or changed.

“(3) INCENTIVES.—The program under this subsection shall provide incentives in the form of adjustments in the premium rates for flood insurance coverage in areas that the Director determines have adopted and enforced the goals of the community rating system under this subsection. In providing incentives under this paragraph, the Director may provide for additional adjustments in premium rates for flood insurance coverage in areas that the Director determines have implemented measures relating to the protection of natural and beneficial floodplain functions.

“(4) FUNDS.—The Director shall carry out the program under this subsection with amounts, as the Director determines necessary, from the National Flood Insurance Fund under section 1310 and any other amounts that may be appropriated for such purpose.

“(5) REPORTS.—The Director shall submit a report to the Congress regarding the program under this subsection not later than the expiration of the 2-year period beginning on the date of the enactment of the National Flood Insurance Reform Act of 1992. The Director shall submit a report under this paragraph not less than every 2 years thereafter. Each report under this paragraph shall include an analysis of the cost-effectiveness and other accomplishments and shortcomings of the program and any recommendations of the Director for legislation regarding the program.”

SEC. 132. FUNDING.

Section 1310(a) of the National Flood Insurance Act of 1968 (42 U.S.C. 4017(a)) is amended—

(1) in paragraph (4), by striking “and” at the end;

(2) in paragraph (5), by striking the period at the end and inserting a semicolon; and

(3) by inserting after paragraph (5) the following new paragraph:

“(6) for carrying out the program under section 1315(b);”.

Subtitle D—Mitigation of Flood and Erosion Risks

SEC. 141. OFFICE OF MITIGATION ASSISTANCE IN FEDERAL INSURANCE ADMINISTRATION.

Section 1105(a) of the Housing and Urban Development Act of 1968 (42 U.S.C. 3533a(a)) is amended—

(1) by inserting “(1)” after “(a)”; and

(2) by adding at the end the following new paragraph:

“(2) The Director, through an Office of Mitigation Assistance, shall carry out flood and coastal erosion mitigation activities under the Federal Insurance Administration, as follows:

“(A) Coordination of all mitigation activities, including administration of the program for mitigation assistance under section 1366 of the National Flood Insurance Act of 1968.

“(B) Administration of the program under section 1366 of this Act for purchase of certain insured properties.

“(C) Administration of the erosion management program under section 1368 of the National Flood Insurance Act of 1968.

“(D) Development and implementation of various mitigation activities and techniques.

“(E) Provision of advice and assistance regarding mitigation to States, communities, and individuals, including technical assistance under section 1366(d).

“(F) Coordination with State and local governments and public and private agencies and organizations for collection and dissemination of information regarding erosion in coastal areas (as defined in section 1370(a)(7) of the National Flood Insurance Act of 1968).”

SEC. 142. MITIGATION ASSISTANCE PROGRAM.

(a) IN GENERAL.—Chapter III of the National Flood Insurance Act of 1968 (42 U.S.C. 4101 et seq.), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new section:

“MITIGATION ASSISTANCE

“SEC. 1366. (a) AUTHORITY.—The Director, through the Office of Mitigation Assistance, shall carry out a program, with amounts made available from the National Flood Mitigation Fund under section 1367, to make grants to States and communities to carry out eligible mitigation activities.

“(b) ELIGIBLE RECIPIENTS.—Subject to the other requirements of this section and any regulations issued by the Director under this section, the Director may provide mitigation assistance under this section to—

“(1) any State; or

“(2) any community participating in the national flood insurance program under this title that—

“(A) has adopted—

“(i) land use and management criteria that (in the determination of the Director) are more protective against flood losses than the criteria established by the Director under section 1361; and

“(ii) measures that (in the determination of the Director) provide for the protection of natural and beneficial floodplain functions;

“(B) during the 12-month period ending on the date of the community's application for a grant under this section, has incurred flood damage (excluding infrastructure damage) aggregating more than \$250,000; or

“(C) is a community that has suffered recurring flood damages and claims, as deter-

mined by the Director, that is in full compliance with the requirements under the national flood insurance program.

"(c) ELIGIBLE MITIGATION ACTIVITIES.—

"(1) PURPOSE AND DETERMINATION.—Amounts for mitigation assistance under this section may be used only for eligible mitigation activities under this subsection, as the Director shall determine, that are designed to reduce flood-related losses in a proactive manner.

"(2) REQUIREMENTS.—To be eligible for assistance under this section, mitigation activities shall be technically feasible and cost-effective with respect to the particular community or situation and in the best interests of the national flood insurance program. After consultation with representatives of States and communities, the Director shall by regulation establish requirements regarding such feasibility and cost-effectiveness. Such activities may include, but are not limited to—

"(A) elevation of structures;

"(B) relocation of structures;

"(C) flood-proofing of structures;

"(D) the provision of technical assistance by States to communities and individuals; and

"(E) acquisition by States and communities of property, for use for a period of not less than 40 years following transfer for such purposes as the Director determines are consistent with sound land management and use in such area, which property—

"(i) is located in flood-risk area, as determined by the Director;

"(ii) is covered by a contract for flood insurance under this title; and

"(iii) while so covered (I) was damaged substantially beyond repair, (II) incurred significant flood damage on not less than 2 previous occasions over a 5-year period for which the average damage equaled or exceeded 25 percent of the value of the structure at the time of the flood event, or (III) sustained damage as a result of a single casualty of any nature under such circumstances that a statute, ordinance, or regulation precludes its repair or restoration or permits repair or restoration only at a significantly increased construction cost.

"(3) LOCATION.—States receiving mitigation assistance under this section may provide assistance for mitigation activities within the State undertaken by communities and individuals. Communities receiving mitigation assistance may provide assistance for mitigation activities within the community that are undertaken by the State or by individuals.

"(4) STATE AND LOCAL LAWS.—Eligible mitigation activities may be assisted with amounts made available under this section and matching amounts provided in compliance with subsection (g) notwithstanding any conflicting State or local laws.

"(d) TECHNICAL ASSISTANCE.—The Director shall make available, to States and communities interested in receiving assistance under this section, technical assistance in identifying and planning appropriate eligible mitigation activities, and in developing flood risk mitigation plans under subsection (f)(2).

"(e) LIMITATIONS ON MITIGATION ASSISTANCE.—

"(1) AMOUNT.—The amount of mitigation assistance provided under this section may not exceed—

"(A) \$5,000,000, to any State; and

"(B) \$5,000,000, to any community.

"(2) TIMING.—The Director may not provide amounts under this section to any State or community, that has received amounts

for mitigation assistance during the preceding 2 years, except that the Director may provide that, with respect to any mitigation assistance to any State or community in an amount of \$3,000,000 or more, outlays for the mitigation assistance may occur over a period not exceeding 4 years.

"(3) STRUCTURE TYPE.—The Director shall establish maximum limits regarding the amount of assistance that may be provided with amounts from mitigation assistance under this section for single-family dwellings, residential structures containing more than 1 dwelling unit, and nonresidential properties.

"(f) APPLICATION AND MITIGATION PLAN.—

"(1) FORM AND PROCEDURE.—The Director shall provide for the submission of applications for mitigation assistance under this section in the form and in accordance with such procedures as the Director shall establish.

"(2) STATE AND COMMUNITY FLOOD RISK MITIGATION PLAN.—The Director may not approve an application by a State or community for mitigation assistance under this section unless the application proposes eligible mitigation activities identified in a flood risk mitigation plan, which is approved by the Director and includes—

"(A) a statement of the mitigation needs of the State or community;

"(B) a statement of a comprehensive strategy for mitigation activities for the State or community, as applicable, designed to address the mitigation needs referred to in the statement under subparagraph (A), which strategy shall have been adopted by the appropriate public body pursuant to not less than 1 public hearing;

"(C) a statement that the mitigation activities to be assisted with amounts under this section and any activities under the comprehensive strategy are designed in coordination with and comply with other State and regional watershed and stormwater management programs and standards;

"(D) a description of resources that are expected to be made available for purposes of meeting the matching requirement under subsection (g); and

"(E) any other information that the Director considers appropriate.

"(3) NOTIFICATION OF APPROVAL.—The Director shall notify each applicant for assistance under this section of approval or disapproval of the application not later than 6 months after submission of the application. If the Director does not approve an application, the Director shall notify the applicant in writing of the reasons for such disapproval.

"(g) MATCHING REQUIREMENT.—

"(1) IN GENERAL.—The Director may not provide mitigation assistance under this title to any State or community in an amount in excess of 3 times the amount that the State or community certifies, as the Director shall require, that the State or community will contribute from non-Federal funds to carry out mitigation activities assisted with amounts provided under this section.

"(2) NON-FEDERAL FUNDS.—For purposes of this subsection, the term 'non-Federal funds' includes State or local agency funds, any salary paid to staff to carry out the mitigation activities of the recipient, the value of the time and services contributed by volunteers to carry out such activities (at a rate determined by the Director), and the value of any donated land, material or building and the value of any lease on a building.

"(h) ALLOCATION OF AMOUNTS.—The Director shall allocate amounts in the National

Flood Mitigation Fund made available for mitigation assistance under this section to States and communities in such amounts and such proportion as the Director shall determine. The Director shall allocate amounts and provide mitigation assistance pursuant to specific applications in a manner that the Director determines best protects the interests of the National Flood Insurance Fund through mitigation of flood risks. In selecting applications to receive mitigation assistance under this section, the Director may establish priorities for applications proposing certain eligible mitigation activities.

"(i) RECAPTURE.—If the Director determines that any State or community that has received mitigation assistance under this section has not made substantial progress in carrying out the mitigation activities proposed in the application for the assistance within 18 months after receipt of the mitigation assistance amounts, the Director shall recapture any unexpended amounts and deposit such amounts in the National Flood Mitigation Fund.

"(j) COMPLIANCE WITH APPLICATION AND MITIGATION PLANS.—The Director shall conduct oversight of recipients of mitigation assistance under this section to ensure that the mitigation assistance is used in compliance with the approved applications for the mitigation assistance and any applicable flood risk mitigation plans.

"(k) DELEGATION OF AUTHORITY TO STATES.—

"(1) IN GENERAL.—The Director may delegate to any State the authority and responsibility of approving applications for mitigation assistance to communities under this section and providing technical assistance under subsection (d), but only upon a finding that a State is capable of making such determinations and providing such assistance.

"(2) GUIDELINES.—The Director shall establish, by regulation, guidelines for delegating authority under this subsection. Such regulations shall be issued not later than 24 months after the date of enactment of the National Flood Insurance Reform Act of 1992.

"(l) DEFINITION OF COMMUNITY.—For purposes of this subsection, the term 'community' has the meaning given the term under section 3(a) of the Flood Disaster Protection Act of 1973."

(b) REGULATIONS.—Not later than the expiration of the 24-month period beginning on the date of the enactment of this Act, the Director of the Federal Emergency Management Agency shall issue regulations implementing section 1366 of the National Flood Insurance Act of 1968.

SEC. 143. ESTABLISHMENT OF NATIONAL FLOOD MITIGATION FUND.

Chapter III of the National Flood Insurance Act of 1968 (42 U.S.C. 4101 et seq.), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new section:

"NATIONAL FLOOD MITIGATION FUND

"SEC. 1367. (a) ESTABLISHMENT AND AVAILABILITY.—The Director shall establish in the Treasury of the United States a fund to be known as the National Flood Mitigation Fund, which shall be credited with amounts described in subsection (b) and shall be available, to the extent provided in appropriation Acts, for mitigation assistance under section 1366.

"(b) CREDITS.—The National Flood Mitigation Fund shall be credited with—

"(1) any premium surcharges assessed under section 1308(e);

"(2) any amounts recaptured under section 1366(i);

"(3) to the extent approved in appropriation Acts, any amounts made available to carry out section 1362 that remain unexpended after the submission of the certification under section 142 of the National Flood Insurance Reform Act of 1992; and

"(4) any penalties collected under section 102(e) of the Flood Disaster Protection Act of 1973.

"(c) INVESTMENT.—If the Director determines that the amounts in the National Flood Mitigation Fund are in excess of amounts needed under subsection (a), the Director may invest any excess amounts the Director determines advisable in interest-bearing obligations issued or guaranteed by the United States.

"(d) REPORT.—The Director shall submit a report to the Congress not later than the expiration of the 1-year period beginning on the date of the enactment of this Act and not less than once during each successive 2-year period thereafter. The report shall describe the status of the Fund and any activities carried out with amounts from the Fund."

SEC. 144. INSURANCE PREMIUM MITIGATION SURCHARGE.

(a) IN GENERAL.—Section 1308 of the National Flood Insurance Act of 1968 (42 U.S.C. 4015) is amended by adding at the end the following new subsection:

"(e) Notwithstanding any other provision of this title, the Director shall assess, with respect to each contract for flood insurance coverage under this title, a mitigation surcharge of \$5 per policy term. Any mitigation surcharges collected shall be paid into the National Flood Mitigation Fund under section 1367. The mitigation surcharges shall not be subject to any agents' commissions, company expenses allowances, or State or local premium taxes."

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply to any contract for flood insurance under the National Flood Insurance Act of 1968 issued or renewed after the expiration of the 24-month period beginning on the date of the enactment of this Act.

SEC. 145. MITIGATION TRANSITION PILOT PROGRAM.

(a) AUTHORITY.—The Director of the Federal Emergency Management Agency shall, through the Office of Mitigation Assistance under the Federal Insurance Administrator, carry out a pilot program to provide mitigation assistance to States and communities to carry out eligible mitigation activities under section 1366 of the National Flood Insurance Act of 1968 before the full implementation of the program under such section.

(b) REQUIREMENTS.—The pilot program under this subsection shall be subject to the provisions of such section 1366 and the proposed regulations issued under section 402(b) of this Act and shall terminate upon the first availability of grants under section 1366, but in no case before final regulations implementing the program for mitigation assistance under such section 1366 have been issued.

(c) FUNDING.—From any amounts made available for use under section 1362 of the National Flood Insurance Act of 1968 in fiscal year 1992 and any fiscal year thereafter (until the termination of the pilot program under this subsection) the Director of the Federal Emergency Management Agency may use \$1,250,000 in each such fiscal year to carry out the pilot program under this subsection.

SEC. 146. REPEAL OF PROGRAM FOR PURCHASE OF CERTAIN INSURED PROPERTIES.

(a) REPEAL.—Section 1362 of the National Flood Insurance Act of 1968 (42 U.S.C. 4103) is repealed.

(b) TRANSITION.—Notwithstanding the repeal under subsection (a), the Director of the Federal Emergency Management Agency may continue to purchase property under subsections (a) and (b) of section 1362 of the National Flood Insurance Act of 1968, as such section existed immediately before the enactment of this Act, during the period beginning on the date of the enactment of this Act and ending upon the submission to the Congress of a certification under this paragraph by the Director. The certification shall be made upon the first availability of mitigation assistance under section 1366 of the National Flood Insurance Act of 1968 and shall certify the availability of such mitigation assistance. The certification may not be made until final regulations implementing the program for mitigation assistance under such section 1366 have been issued.

SEC. 147. COMMUNITY EROSION HAZARD IDENTIFICATION.

(a) IN GENERAL.—Chapter III of the National Flood Insurance Act of 1968 (42 U.S.C. 4101 et seq.), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new section:

"EROSION MANAGEMENT PROGRAM

"SEC. 1368. (a) ESTABLISHMENT.—The Director shall carry out a program to reduce coastal erosion hazards, subject to the requirements of this section. The Director shall implement the program under this section and issue any regulations necessary to carry out the program not later than the expiration of the 24-month period beginning on the date of the enactment of the National Flood Insurance Reform Act of 1992.

"(b) COMMUNITY AND EROSION HAZARD IDENTIFICATION.—

"(1) DIRECTOR.—Using erosion rate information and other historical data available, the Director shall identify and publish information with respect to erosion hazards of coastal areas and coastal communities that are subject to erosion damage. The Director shall designate any areas subject to special erosion hazards as erosion-prone areas and shall designate any communities containing such areas as erosion-prone communities, for purposes of this section. The Director shall notify erosion-prone communities and erosion-prone areas of such designation not later than 60 days after the designation.

"(2) COMMUNITY REQUEST.—The Director may (pursuant to a request by the community and a determination by the Director) designate as an erosion-prone community any community that—

"(A) contains coastal areas; and

"(B) is not designated as an erosion-prone community under paragraph (1).

"(3) INITIAL DESIGNATIONS.—

"(A) IN GENERAL.—The Director shall complete the initial designations of all areas subject to special erosion hazards and notification of affected communities and areas not later than the expiration of the 60-month period beginning on the date of the enactment of the National Flood Insurance Reform Act of 1992, except that the Director may exclude from such initial designations any areas for which insufficient information exists regarding erosion hazards or for which such information is unavailable.

"(B) AREAS THAT HAVE BEEN AWARDED CLAIMS.—Within 24 months of enactment, the Director shall identify erosion hazard areas and designate as erosion-prone any coastal or Great Lakes community for which a claim under section 1306(c) of the National Flood Insurance Act of 1968 has been awarded.

"(4) EROSION CONTROL PROJECTS.—When defining erosion-prone areas, the Director may

take into account a community's efforts to control erosion through nonstructural or structural projects if such projects are well-designed, well-maintained, do not adversely affect adjacent areas, and the community provides adequate evidence of a commitment to long-term maintenance and financing of the project.

"(5) PUBLIC REVIEW PROCESS.—

"(A) IN GENERAL.—The Director shall consult with State and local governments in the determination of erosion-prone communities and provide for a public hearing and an appeals process to review such determinations.

"(B) BASIS FOR APPEALS.—The basis for appeals under this paragraph shall be knowledge or information that the erosion rates, erosion hazard area designations, or selection of reference features are scientifically or technically incorrect. The Director shall review and take into account any technical or scientific data submitted under appeal, and if appropriate, adjust the erosion rates, designations, or reference feature for use under this title.

"(6) RECOGNITION OF EXISTING STATE EROSION MANAGEMENT PROGRAM.—Where a State or community has adopted enforceable policies based on erosion rates that meet or exceed criteria determined by the Director for the management of erosion hazard areas, those policies and the data upon which they are based shall remain effective for the purposes of this title.

"(c) REGULATIONS.—The Director shall issue any regulations necessary to carry out this section.

"(d) REPORT.—The Director shall submit a report to the Congress regarding the determination of erosion hazard areas under this section not later than the expiration of the 24-month period beginning on the date of the enactment of the National Flood Insurance Reform Act of 1992. The report shall include any findings and recommendations of the Director regarding the program and a description of any regulations and procedures established for the program."

SEC. 148. PREMIUM INCREASE FOR FLOOD AND EROSION DUAL RISK HAZARD AREAS.

With respect to structures within erosion hazard areas that are subject to both flood risks and coastal erosion risks and that are located in communities that choose not to participate in the Community Rating System, premiums shall be increased by 20 percent per claim not to exceed the premium based on actuarial risk for structures that submit claims for flood damages to reflect the dual risks of both coastal flooding and coastal erosion.

SEC. 149. CLAIMS FOR IMMINENT COLLAPSE AND SUBSIDENCE.

Section 1306(c)(7) of the National Flood Insurance Act of 1968 (42 U.S.C. 4013(c)) is amended to read as follows:

"(7) Five years after the date of enactment of the National Flood Insurance Reform Act of 1992, the benefits provided under this subsection shall be available only within communities which have been determined by the Director to qualify for credits under the erosion management criteria established under the Community Rating System for the purposes of this title."

SEC. 150. LIMITATION ON AVAILABILITY OF FLOOD INSURANCE FOR PROPERTIES IN EROSION HAZARD AREAS.

Section 1306 of the National Flood Insurance Act of 1968 (42 U.S.C. 4013), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

"(a) Flood insurance coverage under this title may not be provided two years after the date of the notification under section 1368(b)(1) to the erosion-prone community for any structure that is constructed or relocated within designated erosion hazard areas."

SEC. 151. RIVERINE EROSION STUDY.

(a) STUDY.—The Director of the Federal Emergency Management Agency shall conduct a study to determine the feasibility of identifying riverine erosion hazards and methods for management of areas subject to those hazards. Under the study the Director shall—

(1) investigate and assess existing and state-of-the-art technical methodologies for assessing riverine erosion;

(2) examine natural riverine processes, environmental conditions, human-induced changes to the banks of rivers and streams, and examples of erosion and likely causes;

(3) examine examples of erosion control and evaluate their performance; and

(4) analyze riverine erosion management strategies, the technical standards, methods, and data necessary to support such strategies, and methods of administering such strategies through the national flood insurance program.

(b) REPORT.—The Director shall submit a report to the Congress regarding the findings and conclusions of the study under this section not later than the expiration of the 2-year period beginning on the date of the enactment of this Act. The report shall include any recommendations of the Director regarding appropriate methods and approaches for identifying and determining riverine erosion rates and management strategies relating to riverine erosion.

SEC. 152. COORDINATION WITH COASTAL ZONE MANAGEMENT PROGRAMS.

(a) IN GENERAL.—In the implementation of the amendments made pursuant to sections 131 and 147, the Director shall consult with the Under Secretary of Commerce for Oceans and Atmosphere and States to promote full coordination of the coastal erosion management provisions of the National Flood Insurance Act of 1968 (42 U.S.C. 4101 et seq.) as amended by this Act and the provisions of the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.). Furthermore, the Director shall, to the greatest extent possible, utilize State management programs approved under section 306 of the Coastal Zone Management Act of 1972 to facilitate development and implementation of management plans for coastal erosion-prone areas.

(b) COORDINATION REPORT.—The Director and the Under Secretary of Commerce for Oceans and Atmosphere shall jointly prepare a report which details the proposed mechanisms for achieving the coordination required in subsection (a). This report shall be transmitted to the Congress not later than the expiration of the twelve-month period beginning on the date of the enactment of the National Flood Insurance Reform Act of 1992.

(c) EROSION MANAGEMENT PROGRAM REGULATIONS.—In issuing any regulations under section 1368(a) of the National Flood Insurance Act of 1968, as amended by this title, the Director shall consider the recommendations of the Coordination Report required under subsection (b).

SEC. 153. LOANS SECURED BY UNINSURED STRUCTURES.

Section 4012(a) of the National Flood Insurance Act of 1968 (42 U.S.C. 4012a), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

"(g) Notwithstanding, any other provision of this Act, a private, federally insured institution or lender may make loans secured by structures which are not eligible for flood insurance by reason of a designation by the Director of an area as erosion-prone and limitations placed upon the availability of flood insurance in such areas pursuant to this Act."

Subtitle E—Flood Insurance Task Force

SEC. 161. FLOOD INSURANCE INTERAGENCY TASK FORCE.

(a) ESTABLISHMENT.—There is hereby established an interagency task force to be known as the Flood Insurance Task Force (hereafter in this section referred to as the "Task Force").

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Task Force shall be composed of 8 members, who shall be the designees of—

(A) the Director of the Federal Emergency Management Agency;

(B) the Secretary of Housing and Urban Development;

(C) the Secretary of Veterans Affairs;

(D) the Administrator of the Farmers Home Administration;

(E) the Administrator of the Small Business Administration;

(F) a designee of the Financial Institutions Examination Council;

(G) the chairman of the Board of Directors of the Federal Home Loan Mortgage Corporation; and

(H) the chairman of the Board of Directors of the Federal National Mortgage Association.

(2) QUALIFICATIONS.—Members of the Task Force shall be designated for membership on the Task Force by reason of demonstrated knowledge and competence regarding the national flood insurance program.

(c) DUTIES.—The Task Force shall carry out the following duties:

(1) Make recommendations to the head of each Federal agency and corporation under subsection (b)(1) regarding establishment or adoption of standardized enforcement procedures among such agencies and corporations responsible for enforcing compliance with the requirements under the national flood insurance program to ensure fullest possible compliance with such requirements.

(2) Conduct a study of the extent to which Federal agencies and the secondary mortgage market can provide assistance in ensuring compliance with the requirements under the national flood insurance program and submit to the Congress a report describing the study and any conclusions.

(3) Conduct a study of the extent to which existing programs of Federal agencies and corporations for compliance with the requirements under the national flood insurance program can serve as a model for other Federal agencies responsible for enforcing compliance, and submit to the Congress a report describing the study and any conclusions.

(4) Develop guidelines regarding enforcement and compliance procedures, based on the studies and findings of the Task Force and publishing the guidelines in a usable format.

(d) NONCOMPENSATION.—Members of the Task Force shall receive no additional pay by reason of their service on the Task Force.

(e) CHAIRPERSON.—The members of the Task Force shall elect one member as chairperson of the Task Force.

(f) MEETINGS AND ACTION.—The Task Force shall meet at the call of the chairman or a majority of the members of the Task Force

and may take action by a vote of the majority of the members. The Federal Insurance Administrator shall coordinate and call the initial meeting of the Task Force.

(g) OFFICERS.—The chairperson of the Task Force may appoint any officers to carry out the duties of the Task Force under subsection (c).

(h) STAFF OF FEDERAL AGENCIES.—Upon request of the chairperson of the Task Force, the head of any of the Federal agencies and corporations under subsection (b)(1) may detail, on a nonreimbursable basis, any of the personnel of such agency to the Task Force to assist the Task Force in carrying out its duties under this Act.

(i) POWERS.—In carrying out this section, the Task Force may hold hearings, sit and act at times and places, take testimony, receive evidence and assistance, provide information, and conduct research as the Task Force considers appropriate.

(j) SUBCOMMITTEE ON NATURAL AND BENEFICIAL FUNCTIONS OF THE FLOODPLAIN.—The Under Secretary of Commerce for Oceans and Atmosphere, the Director of the United States Fish, and Wildlife Service and the Administrator of the Environmental Protection Agency shall constitute a select subcommittee which shall make recommendations regarding the implementation of the provisions of the National Flood Insurance Reform Act of 1992 which deal with protection of the natural and beneficial functions of the floodplain.

(k) TERMINATION.—The Task Force shall terminate upon the expiration of the 24-month period beginning upon the designation of the last member to be designated under subsection (b)(1).

Subtitle F—Miscellaneous Provisions

SEC. 171. MAXIMUM FLOOD INSURANCE COVERAGE AMOUNTS.

(a) IN GENERAL.—Section 1306(b) of the National Flood Insurance Act of 1968 (42 U.S.C. 4013(b)) is amended—

(1) in paragraph (1)(A)—

(A) by inserting "and" after the comma at the end of clause (i);

(B) by striking ", and" at the end of clause (ii) and inserting "; and"; and

(C) by striking clause (iii);

(2) by striking subparagraph (B) of paragraph (1) and inserting the following new subparagraph:

"(B) in the case of any nonresidential property, including churches—

"(i) \$100,000 aggregate liability for each structure, and

"(ii) \$100,000 aggregate liability for any contents related to each structure;"

(3) by striking subparagraph (C) of paragraph (1);

(4) in paragraph (2), by striking "so as to enable" and all that follows through the end of the paragraph and inserting "up to an amount, including the limits specified in clause (i) of subparagraph (A) of paragraph (1), of \$250,000 multiplied by the number of dwelling units in the building;"

(5) in paragraph (3), by striking "so as to enable" and all that follows through the end of the paragraph and inserting "up to an amount of \$90,000 for any single-family dwelling and \$240,000 for any residential structure containing more than one dwelling unit;" and

(6) by striking paragraph (4) and inserting the following new paragraph:

"(4) in the case of any nonresidential property, including churches, additional flood insurance in excess of the limits specified in clauses (i) and (ii) of subparagraph (B) of paragraph (1) shall be made available to

every insured upon renewal and every applicant for insurance up to an amount of \$2,400,000 for each structure and \$2,400,000 for any contents related to each structure; and"

(b) REMOVAL OF CEILING ON COVERAGE REQUIRED.—Section 1306(b) of the National Flood Insurance Act of 1968 (42 U.S.C. 4013(b)) is amended—

(1) in paragraph (5), by striking "; and" at the end and inserting a period; and

(2) by striking paragraph (6).

(c) CONFORMING AMENDMENTS.—Section 1306(b)(5) of the National Flood Insurance Act of 1968 (42 U.S.C. 4013(b)(5)) is amended—

(1) by striking "(A), (B), or (C)" and inserting "(A) or (B)"; and

(2) by striking "(1)(C)".

SEC. 172. FLOOD INSURANCE PROGRAM ARRANGEMENTS WITH PRIVATE INSURANCE ENTITIES.

Section 1345(b) of the National Flood Insurance Act of 1968 (42 U.S.C. 4081(b)) is amended by striking the period at the end and inserting the following: "and without regard to the provisions of the Federal Advisory Committee Act (5 U.S.C. App.)."

SEC. 173. FLOOD INSURANCE MAPS.

(a) 5-YEAR UPDATES.—Section 1360 of the National Flood Insurance Act of 1968 (42 U.S.C. 4101) is amended by adding at the end the following new subsections:

"(e) Once during each 5-year period (the first such period beginning on the date of the enactment of the National Flood Insurance Reform Act of 1992) or more often as the Director determines necessary because of storms, increased erosion rates, increased watershed development, or other extraordinary situations, the Director shall assess the need to revise and update all floodplain areas, flood-risk zones, and erosion hazard areas identified, delineated, or established under this section.

"(f) The Director shall revise and update any floodplain areas, flood-risk zones, and erosion hazard areas—

"(1) upon the determination of the Director, according to the assessment under subsection (e), that revision and updating are necessary for the areas and zones; or

"(2) upon the request from any State or local government stating that specific floodplain areas, flood-risk zones, or erosion hazard areas in the State or locality need revision or updating (if sufficient technical, engineering, or other justification is provided, in the determination of the Director, to justify the request).

"(g) To promote compliance with the requirements of this title and the Flood Disaster Protection Act of 1973, the Director shall make maps and information under this section regarding floodplain areas, flood-risk zones, and erosion hazard areas available, free of charge to States and communities participating in the national flood insurance program pursuant to section 1310.

"(h) The Director shall publish in the Federal Register, within 30 days after the change or revision becomes effective, changes to flood maps issued in the form of Letters of Map Amendments and Letters of Map Revisions. Notices published in the Federal Register shall also include information on how to obtain copies of the aforementioned changes."

(b) USE OF NATIONAL FLOOD INSURANCE FUND.—Section 1310(a) of the National Flood Insurance Act of 1968 (42 U.S.C. 4017(a)) is amended by adding at the end the following new paragraph:

"(8) for revising and updating floodplain areas, flood-risk zones, and erosion hazard areas."

SEC. 174. REGULATIONS.

The Director of the Federal Emergency Management Agency and any appropriate head of any Federal agency may each issue any regulations necessary to carry out the applicable provisions of this Act and the applicable amendments made by this Act.

SEC. 175. FLOOD CONTROL RESTORATION ZONE.

Section 1307 of the National Flood Insurance Act of 1968 is amended by adding at the end the following new subsection:

"(f) Notwithstanding any other provision of law, this subsection shall only apply in a community which has been determined by the Director of Federal Emergency Management Agency to be in the process of restoring flood protection afforded by a flood protection system that had been previously accredited on a Flood Insurance Rate Map as providing 100-year frequency flood protection but no longer does so. In such a community, flood insurance shall be made available to those properties impacted by the discreditation of the flood protection system at premium rates that do not exceed those which would be applicable to any property located in an area of special flood hazard, the construction of which was started prior to the effective date of the initial Flood Insurance Rate Map published by the Director for the community in which such property is located. A revised Flood Insurance Rate Map shall be prepared for the community to delineate as Zone AR the areas of special flood hazard that result from the discreditation of the flood protection system. A community will be considered to be in the process of restoration if—

"(1) the flood protection system has been deemed restorable by a Federal agency in consultation with the local project sponsor;

"(2) a minimum level of flood protection is still provided to the community by the discredited system; and

"(3) restoration of the flood protection system is scheduled to occur within a designated time period and in accordance with a progress plan negotiated between the community and the Federal Emergency Management Agency.

Communities that the Director of the Federal Emergency Management Agency determines to meet the criteria of this subsection as of January 1, 1992, shall not be subject to revised Flood Insurance Rate Maps that contravene the intent of this subsection. The Director of the Federal Emergency Management Agency shall develop and promulgate regulations to implement this subsection, including minimum floodplain management criteria, within 24 months of enactment."

SEC. 176. STUDY OF AGRICULTURAL BUILDINGS.

(a) STUDY.—The Director of the Federal Emergency Management Agency shall conduct a study to determine the feasibility of establishing criteria for recognizing that certain agricultural structures are typically designed, constructed, and utilized to minimize damage from flooding. The study shall determine appropriate floodplain management and construction standards applicable to such agricultural structures to assure that they are subject to minimum flood damage while maximizing utilization appropriate to agricultural practices.

(b) REPORT.—Not later than 24 months after the date of enactment of this section, the Director shall submit a report to the Congress describing the study required under subsection (a) and setting forth findings, conclusions, and recommendations resulting from the study.

SEC. 177. INCREASED COST OF CONSTRUCTION STUDY.

(a) STUDY.—The Director of the Federal Emergency Management Agency shall conduct a study to determine the feasibility of providing, as part of the flood insurance policy, insurance coverage to provide for increases in the costs of repair and reconstruction of repetitively and severely flood-damaged insured buildings, in order to repair, reconstruct, or otherwise mitigate future hazards to those buildings to comply with local building codes and floodplain management ordinances to the greatest extent possible. In conducting the study, the Director shall seek involvement from other Federal, State, and local agencies, and representation from the insurance, construction, and floodplain management interests. Under the study the Director shall—

(1) identify potential activities related to repair, reconstruction, or otherwise achieving mitigation required to provide compliance with NFIP standards and local building codes, and evaluate the costs of such activities;

(2) evaluate how this approach could be utilized to achieve economically justified acquisition or relocation of certain structures under certain circumstances;

(3) evaluate the cost of providing the additional coverage and investigate a full range of measures for funding those costs, including changes in coverage, rates, and deductibles;

(4) evaluate the effect changes identified in paragraph (3) would have on the entire policy base, the cost of flood insurance, retention of policies, marketing of policies, the number and magnitude of claims paid, and the economic soundness and value of flood-prone property. The evaluation shall provide detail by State and flood hazard zone; and

(5) identify mechanisms required to identify qualifying structures, determine appropriate mitigation measures, coordination with State and local officials, consistency with State and local plans and programs, delivery of the increased insurance payments, and verification of appropriate actions by policyholders.

(b) REPORT.—Not later than 18 months after the date of enactment of this section, the Director shall submit to the Congress a report describing the study and, conclusions and recommendations.

SEC. 178. FLOODPLAIN MANAGEMENT IMPLEMENTATION REPORT.

(a) IN GENERAL.—Not more than 2 years after the date of enactment of this Act, the Chairman of the President's Council on Environmental Quality (hereafter in this section referred to as the "Chairman") shall submit a report to the President and to the Congress on the status and effectiveness of Federal agency floodplain management policies, plans, and procedures, to reduce the risk of flood loss to minimize the impact of floods on human safety, health, and welfare, and to restore and preserve the natural and beneficial values served by floodplains, as provided in Executive Order No. 11988, and regulations and guidelines promulgated thereunder.

(b) STUDY.—The report required by subsection (a) shall be based upon a study to be conducted by the Chairman in consultation with the Secretary of the Army and the Director of the Federal Emergency Management Agency.

(c) OTHER AGENCIES.—In conducting the study under subsection (b), the Chairman shall also consult with appropriate Federal, State, and local agencies, and representatives of the private sector.

(d) **INTERIM REPORT.**—Not more than 1 year after the date of enactment of this Act, the Chairman shall submit an interim report to the Congress which shall identify any initial findings and any recommendations for administrative actions to improve floodplain management procedures or activities by Federal agencies.

(e) **FINAL REPORT.**—Not more than 2 years after the date of enactment of this Act, the Chairman shall submit a final report to the Congress which shall include—

(1) the status of any recommendations that were included in the interim report;

(2) recommendations for administrative or legislative action to further improve Federal floodplain management and better coordinate Federal floodplain management activities with State and local government entities; and

(3) such other information as the Chairman, the Secretary of the Army and the Director of the Federal Emergency Management Agency deem appropriate.

(f) **AUTHORIZATION.**—There are authorized to be appropriated \$250,000 to carry out this section.

NATIONAL FLOOD INSURANCE REFORM ACT OF 1992, S. 2907—SECTION-BY-SECTION SUMMARY

SECTION 1. SHORT TITLE.

This title may be cited as the "National Flood Insurance Reform Act of 1992."

SEC. 2. CONGRESSIONAL FINDINGS.

SEC. 3. DECLARATION OF PURPOSE UNDER THE NATIONAL FLOOD INSURANCE ACT OF 1968.

Amends section 1302(e) of the National Flood Insurance Act of 1968 (42 U.S.C. 4001(e)) by adding a new clause (3) and redesignating clauses (3), (4), and (5), and (4), (5), and (6). The new clause would encourage State and local governments to protect natural and beneficial floodplain functions that reduce flood-related losses.

SUBTITLE A—DEFINITIONS

SEC. 111. FLOOD DISASTER PROTECTION ACT.

Defines: Federal entity for lending regulation; lender; regulated lending institution; and portfolio review. Requires all regulated lending institutions and Federal agencies that act as lenders to enforce mandatory purchase requirements.

SEC. 112. NATIONAL FLOOD INSURANCE ACT OF 1968.

Defines: coastal; Federal entity of lending regulation; lender; natural and beneficial floodplain functions; erosion-prone area; and, bayou.

SUBTITLE B—COMPLIANCE AND INCREASED PARTICIPATION

SEC. 121. EXISTING FLOOD INSURANCE PURCHASE REQUIREMENTS.

Amends Section 102(a) of the Flood Disaster Protection Act of 1973, (42 U.S.C. 4012a(a)) by clarifying that lenders and federal agencies may not waive the mandatory purchase requirement for any purposes or provide any amount of financial assistance without enforcing the mandatory purchase requirement.

SEC. 122. EXPANDED FLOOD INSURANCE PURCHASE REQUIREMENTS.

Extends mandatory purchase requirements to all lenders. Provides for guarantees of flood determinations and requires lenders to review outstanding loans to determine if such loans are in compliance with mandatory purchase requirements. Allows lenders to charge a reasonable fee for flood determinations. Allows exemptions if a review occurred 36 months prior to enactment, or if a lender is regularly providing escrow on loans.

SEC. 123. ESCROW OF FLOOD INSURANCE PAYMENTS.

Requires lender to escrow flood insurance payments if other taxes, insurance, etc. are escrowed. Lenders are also authorized to force place flood insurance coverage if a loan located in a flood hazard area is found to not have coverage in force.

SEC. 124. PENALTY FOR FAILURE TO REQUIRE FLOOD INSURANCE OR NOTIFY.

Imposes a \$350 fine on lenders for failure to require flood insurance. Total amount of penalties for any single lender for any one year is capped at \$100,000. Penalties are paid into the National Flood Mitigation Fund.

SEC. 125. ONGOING COMPLIANCE WITH FLOOD INSURANCE PURCHASE REQUIREMENTS.

Requires a redetermination of whether a structure is located in a flood hazard area before a lender of institution sells or transfers a loan unless such determination has been within five years prior to the date of enactment. Insurers and or servicers of record shall be notified of determination.

SEC. 126. NOTICE REQUIREMENTS.

All new loans must receive notice of the mandatory purchase requirement and availability of flood insurance. Lenders are required to notify in writing a purchaser or transferee within a reasonable time in advance of closing or execution of the purchase or transfer that the structure is located in a flood hazard area. Lenders or servicers must maintain a record of the receipt of notices.

SEC. 127. STANDARD HAZARD DETERMINATION FORMS.

Requires the development and use of a standard flood hazard determination form for inclusion with applications for real estate loans and mortgages. Provides for guarantees regarding the accuracy of flood determination information. Provides for electronic and written forms.

SEC. 128. FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL.

The Council shall consult and assist Federal regulators and the Director of FIA in developing and coordinating uniform standards and requirements for use by lenders.

SEC. 129. CONFORMING AMENDMENT.

Changes the heading of section 102 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a) to read: "Flood Insurance Purchase and Compliance Requirements and Escrow Accounts."

SUBTITLE C—RATINGS AND INCENTIVES FOR COMMUNITY FLOODPLAIN MANAGEMENT PROGRAMS

SEC. 131. COMMUNITY RATING SYSTEM AND INCENTIVES FOR COMMUNITY FLOODPLAIN MANAGEMENT.

Authorizes a Community Rating System which provides reduced premium rates for communities that implement adequate land use and control provisions consistent with a comprehensive criteria for land management under section 1362 to facilitate accurate risk-rating, to promote flood insurance awareness, and to complement effective measures for floodplain and coastal erosion management. The Director shall establish land management standards to mitigate the effects of erosion hazards that consider the severity of erosion, anticipate the impact of erosion, and guide new development away from the highest risk erosion areas. Communities that select to manage erosion risks shall have premium rates for flood insurance adjusted downward. The Director shall submit a report on the cost-effectiveness, accomplishments, and shortcomings of this program.

SEC. 132. FUNDING.

Funds to carry out this program shall be appropriated from the National Flood Insur-

ance Fund under section 1310 and any other amounts appropriated for the purposes of this act.

SUBTITLE D—MITIGATION OF FLOOD AND EROSION RISKS

SEC. 141. OFFICE OF MITIGATION ASSISTANCE IN FEDERAL INSURANCE ADMINISTRATION.

Establishes an Office of Mitigation Assistance, funded through a National Flood Mitigation Fund, to make grants to eligible States and communities; to coordinate all mitigation activities; to administer the erosion management program under section 1368 and flooded property purchase program under section 1362; to develop and implement various mitigation techniques and to provide advice and technical assistance; and, to coordinate the collection and dissemination of information regarding erosion in coastal areas.

SEC. 142. MITIGATION ASSISTANCE PROGRAM.

The Office of Mitigation Assistance shall carry out eligible mitigation activities that are technically feasible and cost effective in any eligible State or community. Such activities may include elevation, relocation, acquisition and floodproofing and technical assistance. Mitigation grants may not exceed \$5,000,000 to any State or community over a two year period. All applications for mitigation assistance must be identified in a State or local flood risk mitigation plan approved by the Director. All mitigation grants require at least a 25% matching State or community contribution. Allows for the recapture of funds not expended for mitigation activities 18 months after receipt of mitigation grant. The Director shall conduct oversight investigations to ensure program compliance.

SEC. 143. ESTABLISHMENT OF NATIONAL FLOOD MITIGATION FUND.

Establishes a National Flood Mitigation Fund credited with any premium surcharges, any amounts recaptured from defaulted mitigation activities, any amounts appropriated to carry out section 1362 that remain unexpended after enactment, and any penalties. The Director shall invest any excess amounts in interest-bearing obligations.

SEC. 144. INSURANCE PREMIUM MITIGATION SURCHARGE.

Provides money for the National Flood Mitigation Fund through a \$5 mitigation surcharge on each flood insurance policy issued or renewed 24 months after enactment.

SEC. 145. MITIGATION TRANSITION PILOT PROGRAM.

Adds a new provision to allow the Director, through the Office of Mitigation Assistance, to carry out a program to make grants to States and communities before full implementation of the mitigation program described in Section 1142. \$1,250,000 per year of the transition program is authorized to carry out the program.

SEC. 146. REPEAL OF PROGRAM FOR PURCHASE OF CERTAIN INSURED PROPERTIES.

Section 1362 of the National Flood Insurance Act of 1968 (42 U.S.C. 4103) is repealed. A transition period is provided until enactment of the mitigation assistance program.

SEC. 147. COMMUNITY EROSION HAZARD IDENTIFICATION.

Using erosion rate information and other historical data available, the Director shall identify and publish erosion hazard areas within coastal communities. These areas shall be known as erosion-prone areas, and communities as erosion-prone communities. All erosion-prone communities shall be notified within 60 days after the designation and

all areas shall be designated within 5 years after date of enactment.

SEC. 148. PREMIUM INCREASE FOR FLOOD AND EROSION DUAL RISK HAZARD AREAS.

For structures in communities that do not manage for erosion hazards, structures located in both flood prone and erosion hazard areas are subject to a premium increase of 20 percent per claim for damages not to exceed the actuarial rate to reflect the dual risks of coastal flooding and coastal erosion.

SEC. 149. CLAIMS OF IMMINENT COLLAPSE AND SUBSIDENCE.

Provides for the transition of current Sect. 1306 relocation and demolition assistance and limits availability of benefits to communities that qualify under the erosion management criteria established in the Community Rating System.

SEC. 150. LIMITATION ON AVAILABILITY OF FLOOD INSURANCE FOR PROPERTIES IN EROSION HAZARD AREAS.

Two years after enactment, flood insurance will not be available for new construction in, or relocation to, identified erosion hazard areas.

SEC. 151. RIVERINE EROSION STUDY.

FEMA shall conduct a study to determine the feasibility of identifying riverine erosion hazards and methods for management. FEMA shall examine the riverine environment, man-induced changes, examples of erosion control, and analyze management strategies, standards, methods and data. A report is to be prepared in two years.

SEC. 152. COORDINATION WITH COASTAL ZONE MANAGEMENT PROGRAMS.

FEMA shall consult with NOAA to promote full coordination of the coastal erosion management provisions under this amendment and the Coastal Zone Management Act of 1972. State CZM programs are to be utilized in the development and implementation of erosion management plans. After one year a coordination report is to be filed jointly by FEMA and NOAA.

SEC. 153. LOANS SECURED BY UNINSURED STRUCTURES.

Structures in erosion hazard areas ineligible for flood insurance are still eligible for federally-backed loans.

SUBTITLE E—FLOOD INSURANCE TASK FORCE

SEC. 161. FLOOD INSURANCE INTERAGENCY TASK FORCE.

Establishes an interagency task force consisting of representatives from the Federal Housing Commission, Veterans Affairs Department, Farmers Home Administration, the Small Business Council, the Financial Institutions Examination Council, the Chairman of the Board of Directors of the Federal Home Loan Mortgage Corporation and the Chairman of the Federal National Mortgage Association. The task force shall make recommendations regarding enforcement; shall study how secondary markets can ensure compliance; and, shall develop guidelines on enforcement and compliance. A Subcommittee on Natural and Beneficial Functions of the Floodplain consisting of representatives from NOAA, U.S. Fish and Wildlife Service and EPA shall also be created to evaluate implementation of erosion provisions.

SUBTITLE F—MISCELLANEOUS PROVISIONS

SEC. 171. MAXIMUM FLOOD INSURANCE COVERAGE AMOUNTS.

Insurance coverage amounts are raised for single family residences from \$100,000 to \$250,000; and from \$250,000 to \$2.4 million for non-residential properties.

SEC. 172. FLOOD INSURANCE PROGRAM ARRANGEMENTS WITH PRIVATE INSURANCE ENTITIES.

Conforming amendment.

SEC. 173. FLOOD INSURANCE MAPS.

Every five years starting from the date of enactment, or more frequently if determined by the Director, FEMA shall update and revise any floodplain area, flood risk zone, and erosion hazard area. States can request updates. Maps are available free of charge to states and communities, and all revisions shall be published in the Federal Register either as a Letter of Map Amendment or Letter of Map Revision within 30 days after the change or revision.

SEC. 174. REGULATIONS.

The Director of FEMA and any appropriate head of any Federal agency may each issue regulations necessary to carry out the provisions of this amendment.

SEC. 175. FLOOD CONTROL RESTORATION ZONE.

Creates a new AR zone which delimits special flood hazard areas located in areas where discredited flood protection systems are in the process of restoration. In AR zones flood insurance shall be made available at premium rates comparable to any property in a special flood hazard area. Restoration projects must meet a criteria which includes that the protection system is restorable; that the system affords a minimum standard of protection; and, that restoration is to occur within a designated time as planned for by FEMA and the community.

SEC. 176. STUDY OF AGRICULTURAL BUILDINGS.

FEMA shall conduct a study to determine the feasibility of establishing a criteria for recognizing typical flood-proof designs of certain agricultural structures, and also determine appropriate floodplain management and construction standards. A report shall be issued within 2 years after enactment of this amendment.

SEC. 177. INCREASED COST OF CONSTRUCTION.

FEMA shall conduct a study to determine the feasibility of providing insurance coverage to provide for increases in the costs of repair and reconstruction of repetitively and severely flood-damaged buildings in order to repair, reconstruct, or otherwise mitigate future losses, and to comply with local building codes and floodplain management ordinances. FEMA shall involve Federal, State, and local agencies, and representation from insurance, construction and floodplain management interest. This study will investigate mitigation methods and activities, evaluate costs, investigate funding alternatives and coverages, evaluate effects on the entire policy base, and identify mechanisms to identify qualifying structures and appropriate mitigation activities. A report is to be delivered by FEMA within 18 months after enactment of this amendment.

SEC. 178. FLOODPLAIN MANAGEMENT IMPLEMENTATION REPORT.

The Chairman of the President's Council on Environmental Quality in consultation with the Director of FEMA and the Secretary of the Army shall compile a report on the status and effectiveness of Federal agency floodplain management policies, plans, and procedures as provided in Executive Order No. 11988. An interim report shall be filed one year after enactment and the final report shall include recommendations for administrative or legislative action to further improve Federal floodplain management and better coordination with State and local entities. \$250,000 is authorized for this report.

COMPARISON SUMMARY REGARDING S. 2907, THE NATIONAL FLOOD INSURANCE REFORM ACT OF 1992 and S. 650 THE NATIONAL FLOOD INSURANCE MITIGATION AND EROSION MANAGEMENT ACT OF 1991

MAJOR SECTIONS OF S. 1650 THAT HAVE REMAINED UNCHANGED

1. Lender compliance to assure structures in risk areas are insured and federal government receives all premium income due to it (thus increasing the base across which the risk is spread)

Lenders required to conduct retroactive portfolio review.

Lenders required to conduct compliance reviews on on-going basis.

Lenders required to escrow flood insurance premiums.

2. Community Rating System implemented as incentive for communities to manage land to limit future flood losses

Properties in communities which establish a voluntary system of land management design to reduce construction and presence of structures in flood-prone areas, in order to reduce risk of loss, will receive reductions in premium rate.

3. National Mitigation Grants to states and communities

FEMA will provide grants to states and communities for mitigation activities (e.g., elevation, flood-proofing, relocation) as a risk reduction program. Money for the fund from which the grants will be made will come from a \$5 annual fee added to each flood insurance policy premium, FEMA discretionary funds, and penalties on lenders for violations of #1 above.

THE MAJOR SECTION OF S. 1650 THAT WAS CHANGED SUBSTANTIALLY

4. Erosion Management Section

One basic concept was retained:

FEMA will—as under S. 1650—map erosion hazard areas and identify erosion prone communities in consultation with states.

Several key concessions were made to address Senators' problems with S. 1650:

10-, 30-, and 60-year setbacks will not be determined, nor the staged mandatory restrictions on development/construction, insurance, and mitigation imposed on the 10-30-60 model.

A voluntary erosion management program is established as a component of the Community Rating System (see #2 above). Only communities that meet the erosion hazard standards in the amendment will be eligible for certain benefits (relocation/demolition assistance; reduced premium rates).

No existing flood insurance policies will be canceled because of the location of the insured structures in an erosion-prone area.

Existing state erosion management programs are permitted to remain in effect.

FEMA is required to conduct public hearings before making its erosion hazard area determinations. Communities may appeal those determinations.

Alternative disciplinary mechanisms are used to encourage effective land use management, reduce risk to the National Flood Insurance Fund, and discourage construction in erosion hazard areas:

In communities choosing not to establish suitable erosion management regimes:

Existing structures will not be eligible for relocation/demolition assistance or reduced premiums.

Premiums for existing structures in erosion-prone areas will be increased by 20 percent following every flood claim (not to exceed an actuarially-based premium), to partially take into account the dual erosion/flood risk facing those structures.

New construction in any identified erosion hazard area will be ineligible for flood insurance.

When their portfolio reviews reveal properties required to carry flood insurance which are not carrying such insurance, lenders may obtain the coverage and add the premium to the loan payments. •

THE LEADER AT THE NATIONAL INSTITUTES OF HEALTH AND THE LEADER AT THE WHITE HOUSE

• Mr. DOMENICI. Mr. President, a week ago, I read the Washington Post magazine article about the Director of the National Institutes of Health, Dr. Bernadine Healy. I was very impressed with the article, and for a number of different reasons it reconfirmed my view about the person who is directing the world's largest health research organization.

I realize there are probably segments of this article that Director Healy does not agree with, or certain portrayals of conflicts that she felt were overstated. However, overall I believe the article was evenhanded and fair. It clearly displays the difficulties women in our society face as they work their way to the top of various professions that were previously—and some contend still are—dominated by men.

Most important, I felt the article displayed Director Healy's ideas and principles, and her vision about how those ideas should be implemented at NIH.

Director Healy has taken this opportunity to focus our Nation's awareness on the enormous gaps in our understanding of women's health. She is proposing one of the most comprehensive studies of human health in history.

While this study has been challenged in the scientific community by claims that it lacks the necessary scientific focus, I believe that this effort is a giant step forward as to how we view and treat diseases. This study will help ensure that we are developing the most effective treatments for diseases specific to women, and also help refocus the way we treat disease in men.

There is another aspect of this article that I would also like to highlight: leadership. Director Healy is moving forward and taking NIH with her. We in Congress have fewer and fewer dollars to spend on discretionary items. However, Director Healy's agenda gives specific direction to the mission of NIH. She identifies projects and programs that NIH can point to as necessary for our Nation and worthy of funding. This type of prioritizing is always difficult, and as is the case with any leadership position, she is not winning any popularity contests. Yet, she continues to push ahead.

I also commend President Bush for nominating Director Healy. The President recognizes the importance of NIH as a national resource, as well as the critical role it assumes in the search

for cures for such diseases as AIDS and breast cancer. He understands that research is often free-form and cannot be directed, but that it can be given focus and made more effective.

It is often easy to attack the appointments made by the President. However, this appointment is quite clearly one in which President Bush selected a true leader to take the reins of this impressive institution. I applaud President Bush's selection of Dr. Bernadine Healy as the Director of the National Institutes of Health, and I especially applaud her efforts in advancing the research of women's health needs.

Mr. President, I ask that at this point the full text of the Washington Post article be printed in the RECORD. The article follows:

THE HEALY EXPERIMENT
(By Malcolm Gladwell)

There was—and still is—an all-male eating society at Johns Hopkins University medical school called the Pithotomy Club, which is famous for the comedy revue it stages every year lampooning the school's faculty.

The show dates back almost to the club's founding at the turn of the century, and in its heyday was hugely popular with the alumni. It was a bonding ritual for male students and faculty, a chance for the once and future elite of American medicine to gather for obscene songs and skits, get drunk, and then—because the club had only one toilet—urinate together in the alleyway next door. F. Scott Fitzgerald immortalized the "Pit" in a short story. H.L. Mencken said the only time he had seen something cruder was in a show put on by sailors in London.

Bernadine Healy does not like to talk about the events that led her, 10 years ago this spring, to do battle with the Pithotomy Club. To the woman who now holds the most powerful position in American science, the day the Pithotomy Club made her the subject of its annual show is a distant and traumatic memory, an episode so personally painful that over all of the intervening years she says she has tried to repress it.

But when Healy speaks of the plight of women in science, of her plans to redress the scientific establishment's neglect of women's issues, or when she confronts the establishment with her own new and radical agenda—as she has over and over again in her first year as head of the National Institutes of Health—it is difficult not to call the Pithotomy episode to mind.

Healy was then one of the Hopkins medical school's brightest stars, an intense and ambitious young cardiologist who made an inviting target for the Pithotomy wags. She has recently been divorced from another member of the Hopkins faculty, Gregory Bulkley, and in the show's central skit he was portrayed as mad with jealousy, stalking physicians he suspected of sleeping with his ex-wife. Healy, played by a man dressed in a long blond wig, fish-net stockings and coconut-half brassiere, was depicted performing a variety of pornographic acts on other physicians until, at the end, she was discovered in flagrante by her ex-husband. The show closed with the man who played Bulkley singing "Cardiology Girl," a bawdy takeoff of the Playboy centerfold-inspired hit song "Calendar Girl."

"It would be one thing if a men's club got together and wrote degrading pornographic

things about each other," Healy says, her voice rising with the memory. "But when they started to bring women into it, to bring women faculty into it, I thought it was offensive."

"I had just gone through a divorce. I was very vulnerable. I was a single mother trying to raise a child. This was the final straw. I let it be known that the club had to stop."

She tried to argue that the show was sexual harassment. But this was 1982.

"I got no support when I brought it up. I was rebuffed repeatedly. I kept hearing, 'Bernadine, knock it off. Boys will be boys.'"

Still, she worried that the skit—including what the show's creators conceded was a groundless accusation of infidelity—might damage her reputation. She demanded a list of the participants in the show, and when she was refused, asked again. At staff meetings, she would not let the subject drop. Finally, after she threatened a lawsuit, she got a face-to-face meeting with the club's officers.

"I made every one of them answer how they would have felt if [the skit] was about their sister, their mother or their wife. I went around the table and questioned their integrity, their sensitivity, their character."

Only one friend at Hopkins, Healy remembers—a woman—ever came forward to tell her that what she was doing was right. Other faculty thought she had no sense of humor, no sense of perspective; that she was not playing the game. The dean told her he was worried about her career.

"I was one of the leaders of that institution," she says now. "But after that episode I would go in a room and there were different vibrations. It did not make me popular."

She was gone from Hopkins by the following year.

It's a cold day in February and Bernadine Healy, now the chief of NIH, is at a scientific symposium at the University of Connecticut. To her right is a man, her host, the governor of Connecticut, Lowell Weicker. To her left is another man, and to his left another man and another man and on and on down the lecture hall's long dais, 13 consecutive men in all, all but one white, all but two graying, the aristocracy of science.

In the audience there are more men. Rows of them in suits and ties. Biologists and chemists and clinicians here to listen to Healy's vision for the scientific future.

They do not like what they hear. She is new, and she wants to change things. She says she wants to restructure the American scientific enterprise, to make NIH, its \$9 billion-a-year budget and the thousands of researchers it funds around the country, more responsive to the public. Borrowing metaphors and concepts from the world of industry, she talks of setting priorities, of bringing order to science, and these men—accustomed to the friendly anarchy of academia—shift uneasily in their seats.

Unlike the men who have come before her in this job, she does not soothe her audience or pause to attend to the hundreds of federally funded egos in the room. Instead, she talks powerfully and quickly; in complete, precise sentences separated by semicolons, not periods; in a cadence that leaves little room for contradiction or interruption.

Later, in a series of separate seminars around the building at which parts of Healy's plan are discussed, the scientists will stand up to cavil and complain. It is not that they do not respect her. Or that they doubt her intelligence or commitment. It seems something less intellectual than emotional. It is that she does not fit in.

This has been very much the story of Bernadine Healy's first 12 months at the

held at NIH. At the peak of a career that had taken her from Johns Hopkins to the White House science policy staff in the mid-1980s to the presidency of the Cleveland Clinic, one of the country's most prestigious private medical research groups, the 47-year-old cardiologist came to Washington with an aggressive agenda to reform biomedical science. But she has not always been well received. She is a figure of controversy, intimidating to some and disparaged by others. Her efforts have often been viewed less as an attempt to help medical science regain its footing than as a blunt challenge to the accepted way of doing business.

This is partially the result of Healy's message, a tough-minded diagnosis of medicine's ills that calls for scientists to be more rigorous in setting priorities. It is more the result of the peculiar culture of medical science, which resists direction—and even more the result of the extraordinary, and sometimes overwhelming, character of Bernadine Healy herself.

She is, as head of NIH, one of the country's most important people. This may seem like an overstatement, because she is not a household name and does not draw a crowd when she goes shopping. But she is the person responsible for the hundreds of laboratories scattered around NIH's Bethesda campus as well as the thousands of basic and applied medical research facilities funded by NIH in universities and hospitals across the country, a vast enterprise without parallel anywhere in the world.

That enterprise is now in crisis. NIH has enough money only to fund about one quarter of the very best research proposals it receives. Young scientists are becoming disillusioned and seeking careers elsewhere. Good ideas are being ignored. Many established scientists believe that what limited funds do exist are going to the wrong projects, to politically popular research areas like AIDS and the human genome effort—the multimillion-dollar attempt to map all the genes in the human body—rather than to smaller but crucial basic science projects. At the same time, American medical research is facing increasing scrutiny from Congress over the mismanagement of its resources and because of a perception that it cannot police itself adequately against scientific fraud.

If these challenges are met over the next few years, it will be because Bernadine Healy met them; and if the crisis worsens, she, more than anyone else, will take the blame.

Healy has not shrunk from this responsibility. Upon taking office, she drafted a sweeping plan for the reorganization of NIH. To address the huge gaps in medicine's understanding of women's health, she proposed one of the largest and most expensive studies of human health in history. She has been straightforward about what she sees as the problems with the way science investigates misconduct and has proposed major changes in the investigative arm of NIH. She has spoken her mind. She has charged through the quiet halls of the institutes, raising more of a ruckus in her first few months than many of her predecessors did in a lifetime.

Along the way, Healy has won praise for her energy and her intelligence. But it has not been an easy year. At NIH, where every other director in the institutes' history has been a man, where 12 of the 13 institute directors are men, and where 175 of the 203 top-level officials and 241 of the 294 senior managers are men, she remains something of an outsider. At meetings with the scientific community, her proposals for reform have

drawn skepticism. She has fought with Rep. John Dingell (D-Mich.), the perennial NIH watchdog. Dingell staffers call her a "female John Sununu" because of what they say is her arrogance. She has fought with Nobel Prize-winning biologist James Watson, the longtime head of NIH's Human Genome Office. She has battled with her superiors in the Department of Health and Human Services.

At the University of Connecticut, in her pleated skirt and pearls, she is focused and formidable. She looks a little like Margaret Thatcher—a younger and prettier version, perhaps, but with the same high-frosted blond hair, the same imperious cheekbones, the same iron gaze. She writes on a small notepad. She walks briskly from one seminar room to another, then sits in the back, alone, as the men complain in front of her.

"Maybe it's because I am a woman, but I have never felt like one of the boys," Healy says. "I have never really been in the inner circle. It doesn't matter that I was a professor. It doesn't matter that I was president of the Cleveland Clinic. I have always been on the edge." She says this without rancor, as almost a point of pride: "It doesn't matter to me that the club is angry with me, because I've never been a member."

Bernadine Healy is by profession a cardiologist, medicine's cowboy specialty. Cardiologists are to internal medicine what jet pilots are to the infantry. She is a feminist, a woman who has been outspoken and active on behalf of her sex from the very beginning of her career. And she is a New Yorker, with all the attendant moxie and brashness, who grew up with her three sisters above her parents' mom and pop perfume business in a working-class neighborhood in Queens.

Her parents were the children of poor Irish immigrants, her father, Michael Healy, an "independent character, a great American individualist," as she describes him, a man who quit school at 13 to take the ferry every day from Hoboken, N.J., to his first job as a messenger boy on Wall Street. He met her mother in a New York restaurant, where she waited on his table, and they moved to Long Island City, three blocks from the Queensboro Bridge, where he set up his own business in perfume oils in the family basement.

"My father had a strong sense of the world being a tough place," she says. "He lived through the Depression. He said you have to learn to take care of yourself. He was somewhat humorless when it came to frivolous things. My parents never went out to dinner. Everything was oriented toward improving yourself, toward education, the business, the family. It was very self-contained."

"When I was a little girl, I used to think I wanted to be a nun, and my father would say you can't be a nun—you'd always be taking orders from a priest. My father was a very old-fashioned conservative Irish Catholic, but he was also an unbelievable feminist. He had a strong sense that no doors should be closed to women, especially his daughters."

All four of the Healy girls would go on to bigger things. The eldest attended MIT on scholarship and then Columbia University for graduate school. The two youngest would follow Bernadine to Vassar College, also on scholarship, and one would go on to be a doctor and the other a lawyer. It was Bernadine, however, who was always the most academic, the most driven, the daughter most under the spell of Michael Healy.

"My father was fiercely devoted to the things that he thought were right. Our dinner table conversation was always about how

he would solve the problems of the world from his perch in Long Island City . . . I am most like him. My mother always says that. I'm his girl."

From Vassar, where friends say she was rarely spotted outside of the library, Healy went to Harvard Medical School and then for medical training and a full professorship at Johns Hopkins in Baltimore.

Her résumé glitters. She has been head of the American Federation for Clinical Research and the American Heart Association. She was a star in the Hopkins cardiology department, where she built a reputation as one of the school's most productive and creative researchers. In 1984 she went to the White House for a two-year stint in the Office of Science and Technology Policy and then was hired away by the Cleveland Clinic to head its research institute, which doubled in size during her five-year tenure.

She has two daughters, one from her first marriage to Bulkeley and one from her second to Floyd Loop, a world-famous heart surgeon at the Cleveland Clinic. She and Loop met and married while she was at the White House, and then she joined him soon after she landed the Cleveland Clinic post.

Theirs is a modern, high-powered marriage. Her husband and daughters remain in Cleveland and she flies home to be with them every weekend. They take fax machines with them on their vacations.

Her friends are unremitting in their praise of her. "There are lots of smart people in medicine," says Stephen Achuff, who was a colleague of Healy's at Hopkins. "But what sets her apart is that she is so well organized. She solves a problem and then moves on. She's like Jack Nicklaus. She has this incredible ability to concentrate on something."

"She has these brilliant notions and ways of synthesizing information, which is why people in a room with her are spellbound. She knows how to sort out the baloney," says Myron Weisfeldt, chief of medicine at Columbia University Medical School. "One of the things I've always said about her is that she is never all wrong. It isn't that she never makes mistakes. It is that there is always an element of correctness in what she does."

"The one thing she has is true grit," says her husband. "You don't see that a lot in Washington. Lots of people are going along to get along. But she is not that way at all. She will study the facts and make a decision. She is very decisive."

She is also a formidable opponent, as Dingell found out when he called her before his oversight subcommittee last summer. Dingell summoned her to testify about her handling of a specific case of scientific fraud while she was head of the Cleveland Clinic. It was a critical meeting—the first between Healy and NIH's most forbidding overseer, and the first on the subject of scientific misconduct, an issue with which Dingell has become almost obsessively involved over the past five years.

But while Dingell routinely turns the most senior of government officials into quivering and compliant witnesses, he had no such power over Healy. She came out blazing, by turns combative, sarcastic and brusque.

"I cannot handle this witness," one of Dingell's colleagues on the committee, Rep. Norman Lent (R-N.Y.), said at one point. At another, after Dingell sarcastically told Healy that "I am just a poor foolish lawyer from Detroit and I get a little befuddled in some of these questions," she shot back: "And I'm just a poor girl from New York."

Her most memorable moment, however, was a wisecrack, impeccably delivered, that punctured Dingell's heavy-handed interrogation. At issue was why Healy signed off on a grant application alleged to have been fraudulent before the accused researcher did. Dingell thought it odd. Healy couldn't see how it made any difference. It was an arcane point. But much to Healy's obvious exasperation, Dingell dragged it out.

Healy: "The actual sequences of the signatures, I think, is being blown out of proportion. If he had signed first and then I had signed, you could argue how could he have signed before I gave my institutional assurances that we were going to give him the space. Somebody had to sign first."

Dingell: "That is an indisputable point. The question, though, is why was it you that had to sign first?"

Healy: "I didn't have to sign first. This is the way it was brought to me."

Dingell: "He signed second and you signed first."

Healy (with a comic's timing): "Who's on third?"

The room erupted into gales of laughter. Bernadine Healy works on the fringe of the NIH campus in a red brick building that looks like a college dormitory.

Visitors enter through a plain brown door to the left of the front entrance, on the first floor, just past an unmanned guard's desk, and sit on a chair jammed between two secretaries' desks. Healy's office is adjoining, a long spare room, an unprepossessing arrangement for the head of a multibillion-dollar-a-year enterprise.

This is not a traditional Washington agency, with clean, vertical lines of authority and a corner office for the chief. The men who built NIH purposefully located all the constituent institutes—the Cancer Institute, the Heart, Lung and Blood Institute, the Infectious Disease Institute among others—in separate buildings scattered across 300 rolling acres. They wanted to send a not-so-subtle message about the role the director would play: He was not to lead so much as cheerlead, to be a statesman for science, a bookkeeper, someone to lobby Congress for more money but otherwise stay on the periphery. It was a reflection of what the scientific community believed and continues to believe is critical for the most creative and productive research: that science be as unstructured and scientists be as unfettered as possible, that the best minds be left free to follow the idiosyncratic and unpredictable course of scientific discovery.

It is this idea, this catechism, that Healy has chosen to confront. In speeches to scientists around the country over the past few months, she has been saying that it is no longer acceptable for an agency as large as NIH to be without some kind of coherent, central strategy that governs how it distributes its research money. In the 1950s, she says, when NIH was a sleepy research group, the ad hoc way in which the agency and its member institutes organize themselves might have been acceptable. But biomedical science is now a huge enterprise, she argues. The field of biology is exploding. There are suddenly more ideas to pursue than there are resources to pursue them. Congress, once friendly, has grown wary of the scientific community. Huge areas of medical research, such as women's health, cry out for more attention. Borrowing a line from the popular Oldsmobile commercial, she says, "This is no longer your father's NIH."

In her first six months in office, Healy gathered all the top NIH officials together

and prepared a strategic plan for the future of the agency, a meticulously detailed document that in its draft form ran to hundreds of pages. One by one, research areas of special interest such as vaccines or biotechnology were identified, and specific research initiatives to expand critical areas of knowledge in each field were drawn up, complete with individualized budgets.

It was an enormous undertaking, unprecedented in NIH history. But the response from scientists has been less than overwhelming. Asked to review the draft document, the big biomedical research groups wrote back long rebuttals. It was attacked when Healy presented the plan at a major scientific conference in San Antonio in January and again when she presented it at the University of Connecticut in February.

"The negative feeling that prevails is a feeling that this is corporate mentality of management from the top down," said William Brinkley, dean of the graduate school at Baylor College of Medicine in Houston. "Science in this country is great because of just the opposite philosophy, of ideas coming from the bottom up. The notion is that scientists identify what is important, and that is often quite unexpected and serendipitous. Now it seems that we are being asked to focus our research on what someone at the top thinks is important."

It is not clear how much of this fear is real and how much is imagined. Healy argues that the idea that American biomedical research is currently unfettered is something of a myth. Some of NIH's constituent institutes, she says, do this kind of "top down" research planning already. But they do it behind closed doors. Her plan is also, on a large scale, similar to what Congress did 20 years ago when it gave NIH a big chunk of money with special instructions to look for a cure for cancer. The war was not won, but it produced some of the most stunning advances in biology in the past century, which may some day lead to a cure.

Healy says her plan will not confine the creativity of researchers but simply give the biomedical establishment a loose but necessary structure. A science policy without central direction can sometimes miss hugely important subjects, she says, like the health of women and minorities. She also sees a strategic plan as the best way to get money out of Congress. Why would anyone vote science an extra two or three billion dollars if scientists can't demonstrate convincingly how they would put that money to good use?

"I don't think we will inspire substantial investment unless we have a compelling vision, a compelling statement," she says. "We have so often portrayed ourselves as an agency that only worries about the number of grants. I don't think that is an idea that inspires people."

But the antagonism of the scientific community can't be defused with logic alone; it's partly about something more subtle. It seems as much a difference of language and style as it is of substance, the culture shock caused by introducing an active and powerful leader to a world that never really wanted one. At the conclusion of the San Antonio meeting, for example, the assembled scientists presented Healy with a manifesto. It wasn't so much that the idea of planning was dead wrong, they said, but that she was moving too quickly, moving without consulting the scientists themselves.

At the Connecticut meeting, the men in the audience flinch when she uses the phrase "strategic plan" over and over again. It is the language of MBAs. They are MDs and

PhDs. For people accustomed to the gentle rhythms of laboratory work, there is an unseemly insistence about Healy's manner. "She thinks like a cardiologist," is how one prominent scientist puts it, not meaning the phrase as a compliment.

Within NIH, the unease with Healy seems just as marked.

"There is a lot of waiting in our system, so we learn not to shoot from the hip," says one NIH official. "We have to wait on Congress. We have to wait on our researchers. We have to wait for ideas to come in. We have to wait for paperwork to be done . . . We're never quick to say something is good or bad."

Healy, by contrast, likes argument and open discussion. "I don't mind when people disagree with me," she says. "I love it when people disagree with me." But she says that sometimes when she is seeking frank opinion, she doesn't get it. This puzzles her, and she worries that her colleagues disagree with her behind her back.

At NIH, it also matters that she is a woman in what is still very much a man's world, a fraternity with its own private code. The hallway leading to Healy's office is lined with the solemn-faced portraits of her predecessors, every one a white man. Healy herself is something of an accident: The Bush administration's first six choices, all male, turned down the \$142,800-a-year job. "Many men I've seen have a group around them. They have a large body of people with whom they interact, and they make a decision by the group method," says Florence Haseltine, director of the Center for Population Research at NIH. "But I've never known a woman who has gotten to the top who makes a decision that way. We've always been isolated. There aren't enough of us. We make decisions independently. It's not that we don't consult. It's that we don't have a lot of people we can talk to."

"I suspect that a lot of the old-time men are nervous [about Healy] because they don't know how to access her," Haseltine adds. "Many of them never know her before he came here, and men feel uncomfortable if they don't know how to have a handle on a person in power. Everyone knew [Healy's predecessor James B.] Wyngaarden because he was in the gel, in the matrix. But she doesn't owe her success to anyone. She made it on her own."

Bernadine Healy's most audacious act as director of NIH has been the Women's Health Initiative. The idea came from Congress, from the Congressional Caucus for Women's Issues, which had been pressuring NIH for some time to pay more attention to women's health. When Healy came aboard, she listened.

"I was faced with a choice," she says. "Do I become an apologist for NIH, or do I look at it and say, 'Let's fix it.' We had all been apologizing for years, and now was the time to fix it."

It is an issue about which she has always been outspoken. She comes from a profession, cardiology, that decided to explore heart disease risk factors by studying 15,000 men—and zero women; that looked at aspirin as a preventative therapy for coronary disease in 22,000 men—and zero women; and that tried to answer the question of whether estrogen was protective against heart disease in women by conducting a study of the role of estrogen in preventing heart disease in men.

She successfully pushed for an initiative on women and heart disease while active in the American Heart Association in the 1980's, fighting the indifference of her col-

leagues, she said, and the perception in the field that "women's complaints about chest pain were emotional or inconsequential."

At NIH she saw an opportunity to push the same goal in a much larger scale, and within months of taking office proposed one of the largest and most expensive clinical studies in history, a \$500 million, 10-year trial involving 140,000 American women. The idea of the trial is ambitious: to measure, in a single study, the effectiveness of hormone replacement, dietary modification and vitamin supplements to combat heart disease, breast and colon cancer, and bone loss in post-menopausal women, simultaneously overcoming the huge knowledge deficits that surround both the health of women and the health of the elderly.

The idea is not without its share of critics. In a letter to Healy last summer, a group of epidemiologists complained that the design of the trial seemed rushed, that the premises on which it was based were suspect. Part of the study, for example, involves a comparison of women on a modified low-fat diet with those on a normal diet. But how do you keep a large group of women on a low-fat diet for 10 years? And won't the control group naturally decrease its fat intake over time, as has been the general dietary pattern of the past decade? In other words, after a decade how can anyone be sure there will be any difference in the diets of the two groups?

Another question is age. What if there is a major connection between diet and illness, but it only makes a difference in younger women? Aren't there risks in limiting the trial to post-menopausal women? Finally, does it make sense to gamble on one big study?

"It is a massively expensive study, and it seems rather risky to put so many eggs in one basket," says Lynn Rosenberg, professor of epidemiology at Boston University. "It might be a surer bet to do a larger number of smaller studies so that it wouldn't matter much if one turned out to be a dead end. Whereas if one of the larger studies turned out to be infeasible, it would all have been a huge loss."

Some of these criticisms have been heeded by NIH, and the study design continues to go through refinement. But it is clear that on the big issues of how large the trial should be and how quickly it should proceed, Healy's mind is made up. The boldness that seems to scare off some epidemiologists is precisely what she finds compelling about the idea.

A large trial allows you to include a very diverse population, she says. It allows you to draw conclusions about the lives and experiences of ordinary people. It gets away from the limitations of white male populations usually picked for study by medicine.

She is passionate on the subject. She calls it "one of the most exciting clinical trials ever done." It represents everything she has worked for, everything she's been trying to accomplish by asserting herself among men.

"Women's issues have been ignored because women have not been a force in our society," she says. "Women have not been listened to; even women of professional standing have not been taken seriously."

She remembers when she fought at the American Heart Association for a new focus on women's health, a campaign to educate patients and doctors about the threat of heart disease.

"Initially my efforts were not well received; it wasn't viewed as important." But, she says, she kept pushing anyway, year in, year out, until she got her way.

"It just goes to show that you should never get discouraged if you think you are right." She pauses and reconsiders. "You should never get discouraged if you are right."

Every Friday afternoon, Bernadine Healy flies to Cleveland to be with her husband and two daughters. She gets home in time for dinner on Friday and leaves Monday mornings after she has kissed her children good-bye.

In a year at NIH, she has never missed a weekend home. She has turned down five honorary degrees because they were to be given out on weekends. She has passed up the White House correspondents' dinner and the vice president's Christmas party. She has skipped or rescheduled important meetings.

During the week, she talks with her husband or daughters at least three times a day, more if there is a difficult homework assignment or a dentist's appointment to be arranged.

"Everyone sort of looks at Bernadine," says her husband, and says, "How do you manage?" But the family has been very supportive. We haven't had any problems. The children have been fine. If anything, they are closer to their busy father than they have ever been. And on weekends we spend a lot of time together . . . Call me up in five years and ask me how it is, though, and I might say something else."

In Washington, things have been a little harder. There is Dingell's office, first of all, which has never quite forgiven Healy for her performance at last summer's hearing. Dingell staffers write or call, demanding information, sometimes daily. The men on Dingell's staff gossip about her with reporters, seeming to delight in the slightest innuendo. It is a constant annoyance for Healy, leading some to conclude she made a tactical error in confronting him so boldly last summer.

This spring there was a much-reported flap with James Watson, the Nobel laureate biologist who ran NIH's effort to decode the human genome. He does not like Healy. Years ago, when Healy was at the White House, he blasted her in a speech, saying that the person setting science policy was "either unimportant or a woman." When she came aboard, he publicly criticized her decision to consider patenting human genes isolated by NIH, saying it would stifle research. Later, when officials of the Department of Health and Human Services raised conflict of interest concerns about his stock ownership and directorships in biotechnology firms that were interested in those same patents, he noisily quit, saying that Healy didn't like him and wanted him out.

Then there are Healy's relations with her superiors at HHS. They did not like her original strategic plan. "The only 'strategy' . . . seems to be the acquisition of additional funds," wrote one top official in an internal memo, after estimating that Healy's proposed initiatives would double the NIH budget. Department insiders whisper maliciously that she is campaigning for the job of HHS secretary.

Her press notices have not always been good. In one New York Times profile, she was called impulsive, which rankled.

"I'm many things, but I am not impulsive," she says. "I make up my mind and I'm fierce about pursuing it, and I'm relentless and tenacious. But I'm very rational. I'm very nonemotional in the way I do my business and the way I conduct myself. I bend over backwards to make sure I'm not allowing my emotions to influence my decisions."

Still, the theme has been picked up in one account of Healy after another. Science mag-

azine, reporting on the Watson affair, said that she "lost her cool." The influential Science and Government Report called her the "short-tempered diva of biomedical research." And on and on.

"A woman is bitchy, and a man knows what he wants. A woman is aggressive and harsh, and a man is directed and goal-oriented," says Pam Douglas, a cardiologist at Harvard Medical School. "These things are kind of clichés now, but they are still very true. If we expect women to be emotional and warm and fuzzy, then a woman who knows what she wants and gets it is going to be a real shock."

At the University of Connecticut, there is frustration of a different kind. Healy would like to draw up a list of research topics that deserve to be priorities. She has assembled a sample list to work from. But the scientists in attendance each have their own special interests and quiver at the thought of excluding anything.

A man from the Pfizer pharmaceutical company says he is upset because fermentation technology was excluded. "There is no mention of chemistry," says another. "You have structural biology but not developmental biology." A man from Pittsburgh asks why the document is "unnecessarily defensive about computing." A man from the University of Connecticut worries about the absence of software systems, a man from Brown about biomaterials, another from Brandeis about conventional electron microscopy, and yet another about "parasitic diseases" and the "excess of stress on applied immunology."

They do not like the idea of listing priorities.

"This is not what the scientific community wants to see," says one distinguished-looking gray-haired man. "What we need is the same kind of science-driven process we have always seen. We ought to get back to the basic question of 'Is it good or bad science?'"

There is applause.

At midday, Healy leaves to go back to Washington. On the airplane she reexplains her position carefully. She is philosophical about the reception she has received. It is not the first time she has walked into a room and felt the vibrations changing.

"You can't be NIH director if you want to be loved," Healy says. "You find your love somewhere else. From your husband, your kids, your dog."

She laughs and brightens. Later, she tells a story about taking her troubles home to her daughters. Someone had written an article making fun of the way she talks, about her fondness for quoting Saint Augustine, and it bothered her. In many ways she is quite honest about still being the bookish Catholic schoolgirl. She peppers her speeches with references to everyone from Confucius to Cotton Mather, and she says one of the first things she did after getting the NIH job was read the Constitution. But on the particular day she read the critical news article, after dodging all the other arrows at NIH, it struck her the wrong way.

"I read it to my 12-year-old, saying this is what I have to put up with. But she said, 'Mommy, that's not bad. He's saying you're not a wannabe.'" Girls of her daughter's age, Healy explains, do not want to be wannabes—people whose ambition is to be like someone else.

Healy's features soften. Then her voice rises an octave as she imitates her little girl. "What he's saying is that you're not a wannabe. You're an original."

THE OLD GIRL NETWORK IN ACTION

The centerpiece of Bernadine Healy's attempt to bring women's issues to the attention of medical science is the newly created Office of Research on Women's Health.

Healy appointed one of her former instructors at Massachusetts General Hospital in Boston, Vivian Pinn, to head the office last summer, in one of the only known examples in NIH history of the old girl network in action. Pinn was the only woman and the only black in her medical school class at the University of Virginia in 1963, and was valedictorian of her high school class in Lynchburg, Va., where Jim Crow laws forbade her from using the town's libraries. Later she went on to win numerous teaching awards at Tufts University and in 1982 moved to Howard University, where she served as chairman of the school's department of pathology.

She heads an effort that has strong political backing, both from Congress—in particular the Congressional Caucus for Women's Issues—and from Healy herself, from whom the issue of women's health has become almost an obsession.

The office is the coordinating body for the massive Women's Health Initiative launched by Healy last year. But it also plays a much broader role within the agency as a kind of ombudsman for women's issues, promoting their interests within NIH and the biomedical community.

The office is the traffic cop responsible for fighting the reluctance of many researchers to include women in clinical trials. NIH has had a policy going back almost a decade requiring scientists applying for grants to include women as subjects—or at least to justify why they are not included—but the guidelines had gone largely unheeded. Two years ago NIH stepped in to beef up the requirement, and Pinn has become the enforcer, establishing a tracking system to monitor the use of women in clinical research.

"We're putting teeth into the law," Pinn says.

Pinn's office has begun to hand out money to actively promote the inclusion of women. These supplemental grants, as much as \$50,000 each, go to trials already in progress or just beginning, allowing the organizers to add more women, or to reach women in the inner city who might not otherwise have been included as subjects. This year the office gave out money to include more women in studies on sleeping disorders among the elderly, and hypertension, among others.

The effort is also aimed at getting NIH's 13 disease-oriented institutes to undertake research projects on subjects thought to be of specific interest to women. For example, in May of this year Pinn's office gave \$1 million to the National Institute of Child Health and Human Development to fund five projects in the biology and pathophysiology of endometriosis and myoma, two common and painful reproductive problems that can contribute to infertility.

"These are very common conditions, but we don't really have a good understanding of them," Pinn says. "What we do is suggest areas that need to be addressed. The investigators can come up and design the project. We can stimulate research." Pinn's office also has been given the responsibility for pushing for greater participation of women in the research community itself.

"We feel that if women's health is going to be a continuing concern, we need a critical mass of women out there," Pinn says. "If you look at the data related just to women coming into medical schools, it's averaging

around 40 percent. But if you look at the other end of the spectrum, at the number of women who are tenured professors, you see few, if any, women. When we look at proposals and investigators, we don't see many more. One of the things this office is doing is facilitating the recruitment, retention and advancement of women."

Earlier this month, Pinn's office held its first major conference on women in biomedical careers, featuring Healy and Maxine Singer, president of the Carnegie Institute. Among the topics for discussion: "The Politics Mother Never Taught You," "But We've Always Done It Like This: Challenging the Current Structure," and "The Old Boys Network: Not for Old Boys Only."*

• Mr. CRANSTON. Mr. President, earlier this month, without much fanfare, President Bush announced a \$1.9 billion arms sale to Saudi Arabia. Although this sale will probably not be opposed, I cannot let it go forward without noting the hypocrisy of an administration which has embraced arms control in the Middle East at the same time it is conducting business as usual on the arms sale front.

This arms sale flies in the face of what the President claims he is trying to accomplish with the Middle East Arms Supplier Group, coming just days after the group met in Washington to discuss multilateral controls on arms transfers to the region. How can we expect the world's suppliers to heed our call for restraint when we cannot even restrain ourselves?

The administration's track record in this area is even more discouraging. Last May, President Bush first announced his Middle East arms control initiative, calling for a freeze on the acquisition, production, and testing of surface-to-surface missiles. This was an effort to seek collective self-restraint on the transfer of conventional weapons by the five permanent members of the United Nations Security Council—the major suppliers to the region. Yet, within days, President Bush announced a number of U.S. arms sales to the Middle East.

The administration's policy of trying to play both sides of the issue has certainly been consistent! Unfortunately, the pursuit of short-term economic gain—through these sales—threatens to undermine worthy long-term goals in the region.

Escalating the deadly arms race in the Middle East is also at cross purposes with the Middle East peace process. Secretary of State Baker has worked so hard to nurture. With United States support and hand-holding, delegates from Jordan, Lebanon, Syria, and Israel have even met to discuss arms control in the region.

This sale includes work of a corps of engineers to support the Saudi Arabian Army Ordnance logistic system at \$400 million; contractor support for F-5 and F-15 aircraft at more than \$650 million; Hellfire missiles, Hydra-70 rockets, and Apache helicopters at \$606 million; and there's more. All this is in addition to

the 17 billion dollars' worth of military-related equipment and services we have roughly sold to the Saudis since the beginning of the Persian Gulf crisis.

One of the most disturbing aspects of this sale is the message it sends about U.S. intentions on bigger sales rumored to be in the pipeline. In this sale a precursor to the deadly F-15E fighter jets the Saudis so desperately want? Let one think that lack of opposition to the currently proposed \$1.9 billion sale signals any lack of resolve on the part of Congress to prevent these larger, more threatening sales down the road.

This sale continues a policy of pouring arms into Saudi Arabia when even with the most sophisticated of weapons it is unclear if the Saudis could defend themselves without United States intervention. Arming the Saudis does not make them invulnerable, nor does it abolish the threat of aggression. The Saudi military is just too small and has already demonstrated that it cannot absorb all the new weaponry directed its way.

Furthermore, the Middle East is a volatile region. There is no guarantee that these arms will remain in Saudi hands or that they would not be used at some point against Israel.

How quickly we forget: Saudi Arabia is technically in a self-proclaimed state of war with our truest friend in the region, Israel. The Saudis have consistently supported the Arab armies which have launched four wars or Israel. They continue to coordinate and abide by a boycott of any international company doing business with Israel. Their anti-Israel and anti-Jewish rhetoric does nothing but fan the flames of animosity.

Finally, I am troubled at the notion that we are so actively supporting the Saudi Government despite its abysmal human rights record. Recent Saudi legislation to reform the political system has been revealed as a hollow attempt to appease the West and at best is only a token step toward democratization. By continuing to arm the Saudis we are tolerating a regime which is defying the global trend to institute real democratic reforms and is doing little to protect basic civil and political rights. United States quiescence on Saudi internal policies, coupled with continued arms sales, does little to move the Saudis in the right direction.

Mr. President, while this sale on its own may not seem significant to some, there is a disturbing pattern developing here that ultimately cannot and should not be tolerated. I intend to watch these arms sales closely and take action when necessary. I urge my colleagues to do the same.♦

UNANIMOUS-CONSENT REQUEST—
S. 499

Mr. FORD. Mr. President, on behalf of the chairman and ranking member

of the Senate Agriculture Committee, Senators LEAHY and LUGAR, I ask unanimous consent that the Agriculture Committee be discharged from further consideration of S. 499, a bill to remove the requirement that schools participating in the school lunch program offer students specific types of fluid milk and that the bill then be placed on the calendar.

The PRESIDING OFFICER. Is there objection?

Mr. SYMMS. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. FORD. Mr. President, I regret that my friend must object to this. This has been cleared, of course, with the ranking Republican member of the Agriculture Committee, Mr. LUGAR, to be put on the calendar. This was done at the request of Senator LUGAR with the concurrence of the chairman, Senator LEAHY. So I regret that it has been objected to.

NATIONAL LITERACY DAY

Mr. FORD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of House Joint Resolution 499, designating "National Literacy Day," just received from the House; that the joint resolution be deemed read three times, passed and the motion to reconsider be laid upon the table and the preamble be agreed to.

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

The joint resolution (H.J. Res. 499) was deemed read the third time and passed.

The preamble was agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. 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.

MANUFACTURING STRATEGY ACT OF 1991

Mr. FORD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar 340, S. 1330, the Manufacturing Strategy Act of 1991.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 1330) to enhance the productivity, quality, and competitiveness of United States industry through the accelerated development and deployment of advanced manufacturing technologies, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Manufacturing Strategy Act of 1991".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds and declares the following:

(1) The development and deployment of advanced manufacturing technologies and other process technologies are vital to the Nation's economic growth, standard of living, competitiveness in world markets, and national security.

(2) New developments in flexible computer-integrated manufacturing, electronic manufacturing networks, and other new technologies make possible dramatic improvements across all industrial sectors in productivity, quality, and the speed with which manufacturers can respond to customers and changing market opportunities.

(3) The United States currently leads the world in research on advanced manufacturing technologies, but often lags behind other nations in the full development, deployment, and use of these new technologies.

(4) Among the steps necessary for the United States to reap the full benefits of advanced manufacturing technology are further research and development activities, testbed projects to test and validate new technology, programs to accelerate the deployment of both new advanced technologies and valuable off-the-shelf equipment, full development of digital product data technology, enhanced transfer of federally-funded technology to industry, and increased cooperation among the Federal Government, industry, labor organizations, and the States.

(5) The Department of Commerce, in cooperation with the Department of Defense and other Federal agencies, has played and can continue to play an important role in assisting United States industry to develop, test, and deploy advanced manufacturing technologies.

(b) PURPOSE.—It is the purpose of Congress in this Act to enhance the ability of the Department of Commerce's technology programs to assist the efforts of private industry in manufacturing and, in the process, to help ensure the continued leadership of the United States in advanced manufacturing technologies.

SEC. 3. AMENDMENT OF THE STEVENSON-WYDLER TECHNOLOGY INNOVATION ACT.

The Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.) is amended by adding at the end the following new title:

"TITLE III—MANUFACTURING TECHNOLOGY

"SEC. 301. STATEMENT OF POLICY AND PURPOSE.

"(a) STATEMENT OF POLICY.—Congress declares that it is the policy of the United States that—

"(1) Federal agencies, particularly the Department of Commerce, shall work with industry to ensure that within 10 years of the date of enactment of this title the United States is second to no other nation in the development, deployment, and use of advanced manufacturing technology;

"(2) because of the importance of manufacturing and advanced manufacturing technology to the Nation's economic prosperity and defense, all the major Federal research and development agencies shall place a high priority on the development and deployment of advanced manufacturing technologies, and shall work closely with

United States industry to develop and test those technologies; and

"(3) the Department of Commerce, particularly the Technology Administration, shall serve as the lead civilian agency for promoting the development and deployment of advanced manufacturing technology, and other Federal departments and agencies which work with civilian industry shall be encouraged, as appropriate, to work through the programs of the Department of Commerce.

"(b) PURPOSE.—It is the purpose of Congress in this title to help ensure, through the programs and activities of the Department of Commerce and other Federal agencies, continued United States leadership in the development and deployment of advanced manufacturing technologies and their applications.

"SEC. 302. ROLE OF THE DEPARTMENT OF COMMERCE.

"(a) MISSION IN MANUFACTURING.—The Department of Commerce shall be the lead civilian agency of the Federal Government for working with United States industry and labor to—

"(1) develop new generic advanced manufacturing technologies; and

"(2) encourage and assist the deployment and use of advanced manufacturing equipment and techniques throughout the United States.

"(b) DUTIES.—(1) The Secretary shall, through the Under Secretary and the Director and, as appropriate, in coordination with the heads of other Federal agencies and with industry, design and manage programs that—

"(A) identify technical, organizational, institutional, and informational barriers to the development, deployment, and use of advanced manufacturing equipment and technologies;

"(B) accelerate the development of advanced manufacturing technologies in such areas as computer-integrated manufacturing, advanced robotics, concurrent engineering, enterprise integration, communications networks for manufacturing, other advanced process technologies, computer software, and quality assurance techniques;

"(C) support projects, centers, and other mechanisms to help United States industry develop, test, and deploy advanced manufacturing and process technologies;

"(D) assist United States industry to—

"(i) develop and disseminate generic manufacturing process models and related techniques, including expert systems and benefit/cost analyses, that significantly increase quality, productivity, and flexibility;

"(ii) expand and speed the use of the best current manufacturing practices, such as total quality management, concurrent engineering, and just-in-time delivery; and

"(iii) develop techniques which help companies define their manufacturing technology needs and select production equipment;

"(E) increase coordination with industry for identifying the need for both interface and systems standards in manufacturing and, as appropriate, support testbeds so that industry can determine at early stages whether new technologies and prototypes are compatible with new standards; and

"(F) accelerate, in partnership with the States and industry, the broad deployment and adoption of advanced manufacturing technologies by medium and small, as well as large, manufacturers throughout the United States.

"(2) The Secretary, acting through the Under Secretary, also shall—

"(A) conduct analyses on how Federal policies and programs can better encourage private sector efforts to develop, test, deploy, and use advanced manufacturing technologies; and

"(B) work with the private sector as a catalyst to help develop new manufacturing business practices, teaching factories, shared manufac-

turing facilities, accounting standards, training methods, improved supplier-customer relations, and other steps which would accelerate the deployment and use of advanced manufacturing technologies by United States industry.

"(c) **RELATION TO NATIONAL PLANS.**—The Secretary, Under Secretary, and Director shall, as appropriate, ensure that Department of Commerce advanced manufacturing technology activities are conducted in a manner consistent with any national advanced manufacturing technology development plans that may be developed by the President or the Director of the Office of Science and Technology Policy.

"(d) **COORDINATION WITH OTHER AGENCIES.**—The Secretary and the Secretary of Defense shall coordinate their policies and programs to promote the development and deployment of advanced manufacturing technologies. The two Secretaries shall, as appropriate, form joint working groups or special project offices to coordinate their manufacturing activities.

"SEC. 303. ADVANCED MANUFACTURING SYSTEMS AND NETWORKING PROJECT.

"(a) **ESTABLISHMENT OF PROJECT.**—(1) In addition to such technology development responsibilities as may be set forth in other Acts, the Secretary, through the Under Secretary and the Director, shall establish an Advanced Manufacturing Systems and Networking Project (hereafter in this title referred to as the 'Project').

"(2) The purpose of the Project is to create a collaborative multiyear technology development program involving the Institute, United States industry, and, as appropriate, other Federal agencies and the States in order to develop, refine, test, and transfer advanced computer-integrated, electronically-networked manufacturing technologies and associated applications.

"(b) **PROJECT COMPONENTS.**—The Project shall include—

"(1) an advanced manufacturing research and development activity at the Institute;

"(2) one or more technology development testbeds within the United States, selected through the Advanced Technology Program established under section 28 of the Act of March 3, 1901 (15 U.S.C. 278n), whose purpose shall be to develop, refine, test, and transfer advanced manufacturing and networking technologies and associated applications; and

"(3) one or more information dissemination contracts selected through the provisions of section 25 (d) and (e) of the Act of March 3, 1901 (15 U.S.C. 278k (d) and (e)), for the purpose of providing information and technical assistance regarding advanced manufacturing and networking technologies to these small and medium-sized manufacturers.

"(c) **ACTIVITIES.**—The Project shall, under the coordination of the Director, undertake the following activities:

"(1) test and, as appropriate, develop the equipment, computer software, and systems integration necessary for the successful operation within the United States of advanced manufacturing systems and associated electronic networks;

"(2) establish at the Institute and the technology development testbed or testbeds—

"(A) prototype advanced computer-integrated manufacturing systems; and

"(B) prototype electronic networks linking the manufacturing systems;

"(3) assist industry to implement voluntary consensus standards relevant to advanced computer-integrated manufacturing operations, including standards for integrated services digital networks, electronic data interchange, and digital product data specifications;

"(4) help to make high-performance computing and networking technologies an integral part of design and production processes;

"(5) conduct research to identify and overcome technical barriers to the successful and

cost-effective operation of advanced manufacturing systems and networks;

"(6) facilitate industry efforts to develop and test new applications for manufacturing systems and networks;

"(7) involve, to the maximum extent practicable, both those United States companies which make manufacturing and computer equipment and those companies which buy the equipment, with particular emphases on including a broad range of company personnel in the Project and on assisting small and medium-sized manufacturers;

"(8) train, as appropriate, company managers, engineers, and employees in the operation and applications of advanced manufacturing technologies and networks, with a particular emphasis on training production workers in the effective use of new technologies and thereby expanding the skill base of the workforce and increasing production flexibility and adaptability;

"(9) work with private industry to develop standards for the use of advanced computer-based training systems, including multi-media and interactive learning technologies; and

"(10) exchange information and personnel, as appropriate, between the technology development testbeds and the Regional Centers for the Transfer of Manufacturing Technology created under section 25 of the Act of March 3, 1901 (15 U.S.C. 278k).

"(d) **TESTBED AWARDS.**—(1) In selecting applicants to receive awards under subsection (b)(2) of this section, the Secretary shall give particular consideration to applicants that have existing expertise with digital data product technologies and that, in the case of joint research and development ventures, include both suppliers and users of advanced manufacturing equipment.

"(2) An industry-led joint research and development venture applying for an award under subsection (b)(2) of this section may include one or more State research organizations, universities, independent research organizations, or Regional Centers for the Transfer of Manufacturing Technology (as created under section 25 of the Act of March 3, 1901).

"(e) **RELATIONSHIP TO HIGH-PERFORMANCE COMPUTING PROGRAM.**—(1) The Project shall be considered one of the Department of Commerce's activities under the Federal high-performance computing program and shall be considered a 'Grand Challenge', as that term is defined under that program. The Project shall remain under the jurisdiction of the Secretary, although the Secretary may, as appropriate, invite the participation of other Federal departments and agencies.

"(2) The Secretary and Director, in consultation with the Director of the Office of Science and Technology Policy, shall, as appropriate, direct that the Project conduct manufacturing networking experiments in partnership with the operators of the National Research and Education Network.

"(f) **ADVICE AND ASSISTANCE.**—(1) Within 6 months after the date of enactment of this title, and before any request for proposals is issued, the Secretary, through the Under Secretary and Director, shall hold one or more workshops to solicit advice from United States industry and from other Federal departments, particularly the Department of Defense, regarding the specific missions and activities of the testbeds.

"(2) The Secretary may request and accept funds, facilities, equipment, or personnel from other Federal departments and agencies in order to carry out responsibilities under this section.

"SEC. 304. OTHER AGENCY SUPPORT FOR INDUSTRY-LED RESEARCH IN MANUFACTURING AND PROCESS TECHNOLOGY.

"(a) **SUPPORT OF NATIONAL TECHNOLOGY BASE.**—(1) It shall be a mission of all Federal re-

search and development agencies to support the national technology base upon which both the Federal Government and United States industry draw.

"(2) In order to contribute to the national technology base, each Federal department and agency is authorized and encouraged to provide support for industry-led technology development projects whose purpose is the development of critical generic technologies, particularly manufacturing and processing technologies, which are identified in the biennial critical technologies reports prepared pursuant to section 603 of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6633).

"(b) **METHODS OF SUPPORT.**—Each Federal department and agency may support industry-led technology development projects by either—

"(1) using or establishing its own program or programs to support industry-led technology development projects; or

"(2) channeling its funds to support industry-led technology development projects through the Advanced Technology Program established under section 28 of the Act of March 3, 1901 (15 U.S.C. 278n).

"SEC. 305. INSTITUTE FELLOWSHIPS IN MANUFACTURING ENGINEERING.

"(a) **GRADUATE FELLOWSHIPS.**—(1) The Under Secretary and Director, in consultation with other appropriate Federal officials, shall establish a program to provide fellowships to graduate students at institutions of higher education within the United States who choose to pursue masters or doctoral degrees in manufacturing engineering. The purpose of the program is to encourage larger numbers of highly qualified graduate students to enter manufacturing engineering and thereby help improve manufacturing within the United States. Such fellowships shall be awarded through a competitive, merit-based selection process.

"(2) In order to be eligible to receive one of the graduate fellowships established by this subsection, a student must attend or be admitted to a university graduate program which has been certified by the Director as meeting the following criteria:

"(A) at least several manufacturing companies have a continuing relationship with the program;

"(B) the program has at least several faculty members with expertise in manufacturing; and

"(C) the program encourages its graduate students to acquire experience in industry before enrolling for graduate study.

"(b) **MANUFACTURING MANAGERS PROGRAM.**—The Under Secretary and Director also shall establish a program to provide fellowships, on a matching funds basis, to industrial executives with experience in manufacturing to serve for one or two years as instructors in manufacturing at two-year community and technical colleges in the United States. Fellowships shall be made through a competitive, merit-based process. In selecting fellows, the Under Secretary and Director shall place special emphasis on supporting individuals who not only have expertise and practical experience in manufacturing but who also can serve as bridges between two-year colleges and manufacturing firms in their areas.

"SEC. 306. NATIONAL QUALITY LABORATORY.

"(a) **ESTABLISHMENT.**—(1) There is established, within the Institute, a National Quality Laboratory (hereafter in this section referred to as the 'Laboratory'), the purpose of which is to assist private sector quality efforts and to serve as a mechanism by which United States companies can work together to advance quality management programs.

"(2) The Director may, under appropriate contractual arrangements, select one or more

managers to operate such Laboratory activities as the Director deems appropriate, selecting such manager or managers from among individuals or broad-based nonprofit entities which are leaders in the field of quality management and which have a history of service to society.

“(b) ACTIVITIES.—The Laboratory shall—
“(1) provide technical services to manufacturing companies, service companies, and other organizations in the United States to help them improve the quality of their operations and products;

“(2) conduct research and analyses on ways to improve quality; and

“(3) facilitate and assist voluntary efforts by leaders from business, labor, and education to—
“(A) harmonize quality initiatives underway in given industrial sectors;

“(B) train individuals and organizations in the methods and criteria of the Malcolm Baldrige National Quality Award established under section 107 of this Act;

“(C) encourage and aid the creation and operation of State quality councils or institutes;

“(D) develop model criteria and materials, and, as appropriate, conduct workshops to provide employees with the education and training necessary to operate within quality management programs; and

“(E) in general assist in the broad dissemination of best practices available in total quality management, including the practices and quality improvement strategies successfully employed by those firms which have won the Malcolm Baldrige National Quality Award, as well as best practices in the fields of lean production, market-driven product improvement, and customer-supplier relations.

“(c) FUNDING.—The Secretary and the Director are authorized to use appropriated funds to support the operations of the Laboratory. The Secretary and the Director also are authorized to seek and accept gifts from public and private sources to help fund the activities of the Laboratory.”

SEC. 4. TECHNOLOGY EXTENSION AND DEPLOYMENT ACTIVITIES OF THE NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY.

(a) MANUFACTURING TECHNOLOGY CENTERS.—Section 25 of the Act of March 3, 1901 (15 U.S.C. 278k), is amended—

(1) by amending the section heading to read as follows: “MANUFACTURING TECHNOLOGY CENTERS”;

(2) in subsection (c)(5), by inserting “, except for contracts for such specific technology extension services as the Director may specify” immediately before the period at the end;

(3) by striking subsection (d); and

(4) by adding at the end the following new subsections:
“(d) If a Center receives a positive evaluation during its third year of operation, the Director may, any time after that evaluation, contract with the Center to provide additional technology extension or transfer services above and beyond the baseline activities of the Center. Such additional services may include, but are not necessarily limited to, the development and operation of—

“(1) prototype regional teleconferencing and digital communications networks for the purpose of expanding the number of States, companies, and employees which can receive a Center’s baseline services;

“(2) programs to assist small and medium-sized manufacturers and their employees in the Center’s region to learn and apply the technologies and techniques associated with systems management technology; and

“(3) programs focused on the testing, development, and application of manufacturing and process technologies within specific technical fields such as advanced materials, electronics

fabrication, or general manufacturing, for the purpose of assisting United States companies, both large and small and both within the Center’s original service region and in other regions, to improve manufacturing, product design, workforce training, and production in those specific technical fields.

“(e) In addition to any assistance provided or contracts entered into with a Center under this section, the Director is authorized to make separate and smaller awards, through a competitive process, to nonprofit organizations which wish to work with a Center to enable those organizations to provide additional outreach services, in collaboration with the Center, to small and medium-sized manufacturers. Organizations which receive such awards shall be known as Satellite Manufacturing Centers. In reviewing applications, the Directors shall consider the needs of rural as well as urban manufacturers. No single award for a Satellite Manufacturing Center shall be for more than three years, awards shall be renewable through the competitive awards process, and no award shall be made unless the applicant provides matching funds at least equal to the amount requested from the Director.”

(b) STATE TECHNOLOGY EXTENSION PROGRAM.—(1) Section 26(a) of the Act of March 3, 1901 (15 U.S.C. 278l(a)), is amended—

(A) by inserting immediately after “(a)” the following new sentence: “There is established within the Institute a State Technology Extension Program.”; and

(B) by inserting “through that Program” immediately after “technical assistance”.

(2) Section 26 of the Act of March 3, 1901 (15 U.S.C. 278l) is amended by adding at the end the following new subsection:

“(c)(1) In addition to the general authorities listed in subsection (b) of this section, the State Technology Extension Program also shall, through merit-based competitive review processes and as authorizations and appropriations permit—

“(A) make awards to State and conduct workshops, pursuant to section 5121(b) of the Omnibus Trade and Competitiveness Act of 1988, in order to help States improve their planning and coordination of technology extension activities;

“(B) support industrial modernization demonstration projects to help States create networks among small manufacturers for the purpose of facilitating technical assistance, group services, and improved productivity and competitiveness;

“(C) support State efforts to develop and test innovative ways to help small and medium-sized manufacturers improve their technical capabilities, including innovative methods for transferring Federal technology, for encouraging business networks and shared facilities among small manufacturers, for expanding the skill of the workforce, for identifying new manufacturing opportunities between small and large firms, and for working with the States and, as appropriate, private information companies, to provide small and medium-sized firms with access to data bases and technical experts;

“(D) support cooperative research and technology assistance projects between the Institute and the States, particularly projects, funded on a matching basis, to help firms within the State to improve their manufacturing and process technologies, including manufacturing education institutes;

“(E) as appropriate, promote the creation of industry-led State quality laboratories or institutes affiliated with the National Quality Laboratory established by section 307 of the Stevenson-Wydler Technology Innovation Act of 1980.

“(2) Each application for financial assistance under this subsection shall demonstrate a commitment to derive at least 50 percent of the re-

sources necessary to defray the total cost of the program from non-Federal Government sources, unless the Secretary, acting through the Director, determines that a State government lacks the required resources due to chronic financial difficulties.”

SEC. 5. NATIONAL MANUFACTURING TECHNOLOGY ADVISORY COMMISSION.

(a) ESTABLISHMENT AND PURPOSE.—There is established a National Manufacturing Technology Advisory Commission (hereafter in this section referred to as the “Commission”), for the purpose of examining what steps must be taken by industry and government to ensure that within a decade the United States has a modern industrial infrastructure, including research and development capabilities and equipment and facilities, second to no other nation.

(b) ISSUES.—The Commission shall address, but not necessarily limit itself to, the following issues:

(1) What range of factors affect how willing and able United States companies are to invest in new research, product development, and equipment and facilities, and how do those factors compare with conditions in other major industrialized countries?

(2) How do the cost, availability, and long-term or short-term orientation of capital in the United States affect the ability of companies to make investments and modernize industrial equipment and facilities?

(3) What are the particular industrial modernization problems, including capital problems, insufficient information, and workforce training needs faced by small- and medium-sized manufacturing firms in the United States?

(4) How feasible and appropriate would it be to create a privately-sponsored or government-sponsored enterprise which would serve as a secondary market for private loans for the purchase or lease of advanced manufacturing technology by small- and medium-sized manufacturers within the United States, and could an insurance premium provision be built into such an enterprise to ensure that a sufficient financial reserve would exist to cover any losses incurred by the enterprise?

(5) In general, what steps could the Federal Government, the States, and the private sector take to accelerate the modernization of United States industry, particularly manufacturing firms?

(c) MEMBERSHIP.—(1) The Commission shall be composed of 12 members, none of whom shall serve as full-time Federal employees during their term of service on the Commission, who are eminent in such fields as advanced technology, manufacturing, finance, and international economics and who are appointed as follows:

(A) Four individuals shall be appointed by the President, one of whom shall be designated by the President to chair the Commission.

(B) Four individuals shall be appointed by the Speaker of the House of Representatives, one of whom shall be appointed upon the recommendation of the minority leader of the House of Representatives.

(C) Four individuals shall be appointed by the President pro tempore of the Senate, three of whom shall be appointed upon the recommendation of the majority leader of the Senate and one of whom shall be appointed upon the recommendation of the minority leader of the Senate.

(2) Each member shall be appointed, within 60 days after the date of enactment of this Act, for the life of the Commission. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(d) PROCEDURES.—(1) The chairman shall call the first meeting of the Commission within 90 days after the date of enactment of this Act.

(2) Recommendations of the Commission shall require the approval of two-thirds of the members of the Commission.

(3) The Commission may use such personnel detailed from Federal agencies, particularly the Department of Commerce, as may be necessary to enable the Commission to carry out its duties.

(4) Members of the Commission, while attending meetings of the Commission while away from their homes or regular places of business, shall be allowed travel expenses in accordance with subchapter I of chapter 57 of title 5, United States Code.

(e) REPORTS.—The Commission shall, within one year after the date of enactment of this Act, submit to the President and Congress a report containing legislative and other recommendations with respect to the issues addressed under subsection (b).

(f) TERMINATION.—The Commission shall terminate 6 months after the submission of its report under subsection (e).

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for the fiscal years 1993 and 1994.

SEC. 6. ANNUAL REPORT ON NEGOTIATIONS POTENTIALLY AFFECTING FEDERAL RESEARCH AND DEVELOPMENT PROGRAMS.

The Secretary of Commerce, after consultation with the Director of the Office of Science and Technology Policy, shall report annually to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives on any current or planned Executive Branch positions in international negotiations, including negotiations regarding subsidies or government procurement, which would affect the activities, funding levels, or eligibility requirements of Federal domestic research and development programs.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATIONS FOR CERTAIN FISCAL YEAR 1993 ACTIVITIES.—Of the amounts otherwise authorized to be appropriated to the Secretary of Commerce for fiscal year 1993—

(1) \$10,000,000 of the amounts authorized for the Manufacturing Engineering Laboratory of the National Institute of Standards and Technology (hereafter in this section referred to as the "Institute") are authorized only for carrying out the Institute's internal portion of the Advanced Manufacturing Systems and Networking Project established under section 303 of the Stevenson-Wylder Technology Innovation Act (as added by this Act);

(2) \$30,000,000 of the amounts authorized for the Institute's Advanced Technology Program are authorized only for support of the Advanced Manufacturing Systems and Networking Project established under section 303 of the Stevenson-Wylder Technology Innovation Act (as added by this Act); and

(3) \$5,000,000 of the amounts authorized for the Institute's Manufacturing Technology Centers are authorized only for support of Satellite Manufacturing Centers.

(b) ADDITIONAL AUTHORIZATIONS.—In addition to such other sums as may be authorized to be appropriated to the Secretary of Commerce and the Director of the Institute by this or any other Act, there are authorized to be appropriated to the Secretary and the Director—

(1) to carry out responsibilities under section 303 of the Stevenson-Wylder Technology Innovation Act of 1980 (as added by this Act), \$50,000,000 for fiscal year 1994 and \$40,000,000 for fiscal year 1995;

(2) to carry out responsibilities under section 305 of the Stevenson-Wylder Technology Innovation Act of 1980 (as added by this Act), \$5,000,000 for fiscal year 1993, \$30,000,000 for fiscal year 1994, and \$30,000,000 for fiscal year 1995;

(3) to carry out responsibilities under section 306 of the Stevenson-Wylder Technology Inno-

vation Act of 1980 (as added by this Act), \$5,000,000 for fiscal year 1993, \$5,000,000 for fiscal year 1994, and \$5,000,000 for fiscal year 1995; and

(4) to carry out responsibilities under subsections (d) and (e) of section 25 of the Act of March 3, 1901 (as added by this Act), \$60,000,000 for fiscal year 1994 and \$50,000,000 for fiscal year 1995.

SEC. 8. MISCELLANEOUS AND CONFORMING AMENDMENTS.

(a) DEFINITIONS.—Section 4 of the Stevenson-Wylder Technology Innovation Act of 1980 (15 U.S.C. 3703) is amended by adding at the end the following new paragraphs:

"(14) 'Director' means the Director of the National Institute of Standards and Technology.

"(15) 'Institute' means the National Institute of Standards and Technology.

"(16) 'Assistant Secretary' means the Assistant Secretary of Commerce for Technology Policy.

"(17) 'Advanced manufacturing technology' means—

"(A) numerically controlled machine tools, robots, automated process control equipment, computerized flexible manufacturing systems, associated computer software, and other technology for improving manufacturing and industrial production; and

"(B) techniques and processes designed to improve manufacturing quality, productivity, and practices, including quality assurance, concurrent engineering, shop floor management, inventory management, and upgrading worker skills."

(b) REDESIGNATIONS.—The Stevenson-Wylder Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.) is amended—

(1) by inserting immediately after section 4 the following new title heading:

"TITLE I—DEPARTMENT OF COMMERCE AND RELATED PROGRAMS";

(2) by redesignating sections 5 through 10 as sections 101 through 106, respectively;

(3) by redesignating sections 11 through 15 as sections 201 through 205, respectively;

(4) by redesignating sections 16 through 18 as sections 107 through 109, respectively;

(5) by striking section 19;

(6) by redesignating section 20 as section 110;

(7) by redesignating section 21 as section 206;

(8) by inserting immediately after paragraph 110 (as redesignated by paragraph (6) of this subsection) the following new title heading:

"TITLE II—FEDERAL TECHNOLOGY TRANSFER";

(9) in section 4—

(A) by striking "section 5" each place it appears and inserting in lieu thereof "section 101";

(B) in paragraphs (4) and (6), by striking "section 6" and "section 8" each place they appear and inserting in lieu thereof "section 103" and "section 105", respectively; and

(C) in paragraph (13), by striking "section 6" and inserting in lieu thereof "section 102";

(10) in section 206 (as redesignated by paragraph (7) of this subsection)—

(A) by striking "section 11(b)" and inserting in lieu thereof "section 201(b)"; and

(B) by striking "section 6(d)" and inserting in lieu thereof "section 102(d)"; and

(11) by adding at the end of section 201 (as redesignated by paragraph (3) of this subsection) the following new subsection:

"(h) ADDITIONAL TECHNOLOGY TRANSFER MECHANISMS.—In addition to the technology transfer mechanisms set forth in this section and section 202 of this Act, the heads of Federal departments and agencies also may transfer technologies through the technology transfer, extension, and deployment programs of the De-

partment of Commerce and the Department of Defense."

AMENDMENT NO. 2645

(Purpose: To clarify that the Act does not alter the application of Federal and State antitrust laws)

Mr. FORD. Mr. President, on behalf of Senator METZENBAUM, I send an amendment to the committee substitute to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Kentucky [Mr. FORD], for Mr. METZENBAUM, proposes an amendment numbered 2645.

Mr. FORD. 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 bill, add the following new subsection:

(c) APPLICATION OF ANTITRUST LAWS.—Nothing in this Act shall be construed to create any immunity to any civil or criminal action under any Federal or State antitrust law, or to alter or restrict in any manner the applicability of any Federal or State antitrust law.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2645) was agreed to.

Mr. HOLLINGS. Mr. President, I am pleased that the Senate is now considering S. 1330, the Manufacturing Strategy Act, which I introduced on June 19, 1991. In supporting this bill, I am joined by Senators GORE, BINGAMAN, NUNN, ROCKEFELLER, KENNEDY, DIXON, LEVIN, DODD, SHELBY, DASCHLE, LIEBERMAN, RIEGLE, CONRAD, WOFFORD, KERRY, and BENTSEN as cosponsors. The version of S. 1330 now before us is the reported bill, which was approved without objection by the Commerce Committee on October 3, 1991.

This important legislation builds on existing manufacturing technology programs at the Department of Commerce [DOC]. It provides for a new industry-led project to develop advanced manufacturing technologies, expands State-led efforts to help small and medium-sized manufacturers modernize their equipment and processes, and increases assistance to firms wishing to improve manufacturing quality. Passage of this legislation is critical to the future of U.S. technology competitiveness in manufacturing.

THE MANUFACTURING CHALLENGE

Manufacturing remains a central part of the American economy. The U.S. manufacturing sector accounts for approximately 25 percent of the Nation's gross domestic product. It provides 19 percent of the Nation's jobs and still provides many of the country's best-paid positions. It funds most of the Nation's private-sector research

and development [R&D]. It generates approximately 80 percent of this country's total merchandise exports, and in 1990 its exports were responsible for a stunning 90 percent of real U.S. economic growth. Our long-term prosperity and national defense depend on manufacturing—especially high-productivity, high-wage manufacturing.

Yet, despite some bright spots, we all know that America has taken a beating in manufacturing. The United States once had over a dozen color television manufacturers; now it has only one. Today Japan controls over one-quarter of the United States automobile market and about half of the world's semiconductor market. In automobiles, semiconductors, and other fields, American companies are making advancements, but all too often the leading world-class manufacturers are based in Japan, Germany, or other countries.

In 1990, Japanese-manufactured exports nearly equalled those of the United States—\$282 billion in Japanese exports as compared to \$287 billion in U.S. exports. Yet the Japanese economy is only two-thirds the size of the U.S. economy. Also in 1990, Germany led the world in exports of manufactured goods—386 billion dollars' worth of goods, 28 percent more than the United States exported. How did a country with one-third of the U.S. population lead in manufactured exports?

Many factors affect a nation's manufacturing strength—management attitudes, training and labor relations, tax policy, trade policy, technology, and so forth. However, what stands out in countries such as Japan and Germany is a serious, sustained national commitment to excel. Industry, labor, and government in these countries have made manufacturing a true national priority, and they have backed up that priority with real resources and action.

Consider Government support for manufacturing technology and for manufacturing modernization. The Germans and the Japanese do not merely give lip service to these areas; they make major investments in manufacturing technology and in industrial innovation in general.

For example, a recent report by the private Council on Competitiveness on German technology policy identifies the key factor as follows:

Industrial innovation is a direct and specific goal of German government policy. The straightforward German focus on industrial innovation stands in sharp contrast to U.S. public policy. The U.S. federal government does not view industrial innovation as a priority, but as the indirect result of defense spending or basic research. Therefore, while U.S. public support for industrial innovation is fragmented and unfocused, German policy encourages and supports a dense network of research institutions and industry organizations that provide complementary services to the private sector. * * *

Among other programs, Germany operates 40 so-called Franhofer Insti-

tutes—applied research facilities which help large and smaller firms improve products and manufacturing processes. Total expenditures in 1989 totalled \$409 million, with approximately half of this amount from industry and the remainder from German federal and state agencies. About 50 percent of the budget is devoted to new production technologies and microelectronics.

Japan has programs to help both smaller and larger manufacturers. Small and medium-sized manufacturing companies have access to a nationwide publicly supported system of 169 examination and assistance centers. These so-called kohsetsushi centers help small firms with both the development and adoption of advanced production technologies. The centers receive \$500 million a year in public funding from municipal, prefectural, and central government agencies. For larger firms, the Ministry of International Trade and Industry [MITI] has proposed a \$1 billion government-industry research project in Intelligent Manufacturing Systems—the IMS project. This project and a related private-sector initiative in Japan aim to create an advanced and highly efficient computer-integrated manufacturing infrastructure that will give Japanese companies a significant competitive edge in the 21st century.

Japanese manufacturing already is impressive. According to Bob White, DOC Under Secretary for Technology, automakers in Japan soon will be able to take a customer's car order—including model type, paint color, interior, and options—and deliver that car exactly as the customer wants it within 3 days. One can only imagine what the Japanese will be able to do once their factories and suppliers are linked into large, speedy computer networks, and highly flexible production lines.

While the United States still has excellent research and development [R&D] in manufacturing, we often lag behind others in the development and deployment of advanced manufacturing systems. For example, the United States has no equivalent to Japan's IMS project, despite interest from industry and a very commendable effort by DOC to stimulate United States thinking on this subject. In terms of deploying new technologies—that is, helping firms adopt and use effectively the new equipment—the American record is poor. The United States has some 350,000 small- and medium-sized manufacturers, defined as firms with 500 or fewer employees. However, in 1991, the United States ranked 20 out of 22 countries in per capita consumption of advanced machine tools, just ahead of Bulgaria and Yugoslavia.

So far, the Federal Government has placed a low priority on helping American companies to develop and deploy advanced manufacturing technologies. In fiscal year 1992, the Federal Govern-

ment only will spend \$17 million on manufacturing extension programs to help small firms adopt advanced equipment. Nondefense R&D funds to help develop industrial manufacturing technology will be far less than \$100 million. By comparison, in fiscal year 1992, the Federal Government will spend over \$1 billion on two agricultural research programs, the Agriculture Research Service and the Cooperative State Research Service, and \$411 million for the Federal portion of agricultural extension. These programs have helped make American agriculture the world's leader, and I strongly support them. Comparing this expenditure with the low priority the Federal Government places on industrial manufacturing technology, it is no surprise that our companies have trouble keeping up with their German and Japanese competitors.

AMERICA'S OPPORTUNITY

If the United States has been slow to meet the challenge of foreign investments in manufacturing technology development and deployment, it nonetheless now has a major opportunity to redress the imbalance. It now can develop and implement an industry-led strategy to restore U.S. leadership in manufacturing technology and manufacturing operations.

This opportunity exists for three key reasons. First, we know what direction we must follow. To survive in the intensely competitive markets of the late 1990's and the early 21st century, manufacturers will have to be efficient, cost-effective, and dedicated to quality. In turn, two ingredients will produce a world-class manufacturer: highly flexible, computer-controlled equipment and lean, flexible organizations of highly skilled workers and managers. A recent report by a team of experts from industry and Lehigh University gave a name to this new system of production: they call it agile manufacturing.

Important developments will be needed to make agile manufacturing a reality, including new types of equipment, new communications networks to link factories electronically, standardized computer terminology so that disparate factories can communicate with each other, new training programs, and the further development of best practices for manufacturing.

Second, much of the necessary work is already underway, although efforts remain fragmented, incomplete, and underfunded. In my home town of Charleston, SC, the Navy, DOC's National Institute of Standards and Technology [NIST], the South Carolina Research Authority, and a group of private companies have developed a pioneering flexible manufacturing system. I watched this system, developed originally to automate and speed the manufacture of small parts for Navy vessels, as it was pressed into service during

the Persian Gulf war to make spare parts for Marine helicopters. Replacement parts that once took machinists a year to make now can be made in weeks or days, thanks to a system which keeps specifications for hundreds of components in a computer memory bank and then sends those specifications speedily to flexible milling and lathing machines.

Other efforts around the country have begun to fill in other pieces of the agile manufacturing system. Dr. Robert White and his DOC colleagues are working with industry to develop standardized computer terminology for electronic manufacturing. An industry consortium, the National Center for Manufacturing Sciences [NCMS], is developing new generations of computer equipment to control automated equipment. Another industry group, the Microelectronics and Computer Technology Corporation [MCC], has begun to develop computer networks to link factories. NIST and the private foundation supporting the Malcolm Baldrige National Quality Award have thought long and hard about best manufacturing practices. The National Coalition for Advanced Manufacturing [NACFAM] and leaders in the States and industry are thinking about how best to share these evolving technologies and practices with small- and medium-sized manufacturers. Many of the pieces of a true national effort to restore American manufacturing already exist; the task now is to bring them together under industry leadership.

This is where the third component—proven models of industry-Federal-State cooperation—becomes important. We have programs now that could be used readily to develop and deploy these 21st century manufacturing technologies and practices. On the development side, we have both existing industry consortia and a DOC Program for supporting such consortia, the NIST Advanced Technology Program [ATP]. On the deployment side, NIST has two well-regarded programs for working with the States to disseminate new manufacturing technologies and manufacturing best practices—the Manufacturing Technology Centers and the State Technology Extension Program [STEP]. These industry, NIST, and State efforts are in place and working. However, the Nation must make manufacturing excellence a true national priority and expand upon these efforts to advance U.S. manufacturing competitiveness.

THE BILL

This is the point at which enactment of S. 1330 becomes critical. It builds upon ongoing technical work and existing DOC programs. The bill would not create any new bureaucracies, and its funds would be targeted at coordinating and strengthening existing industry and government efforts for the de-

velopment and deployment of advanced manufacturing technologies.

The bill now before the Senate has three sets of provisions. The first set deals with technology development and manufacturing practices. It would create a new title III to the Stevenson-Wylder Technology Innovation Act of 1980. The new title, "Manufacturing Technology," would set a national goal of being second to no other nation in manufacturing within 10 years, and state that DOC is to be the lead civilian Federal agency for working with U.S. industry to develop and deploy advanced manufacturing technology and techniques. Next, the new title would create, under existing NIST programs, an Advanced Manufacturing Systems and Networking Project to develop new technologies. The heart of this project would be a series of industry-led "testbed" projects, financed mainly by business, to refine, test, and integrate key manufacturing technologies. The new title also would authorize and encourage other Federal agencies to support industry-led technology development projects; establish NIST manufacturing fellowships; and create a NIST-supervised National Quality Laboratory which would help industry could develop quality management programs and other practices important to success.

The second set of provisions deals with technology extension. The bill also would amend sections 25 and 26 of the National Institute of Standards and Technology Act to authorize additional activities by Manufacturing Technology Centers [MTC's], to authorize the establishment of new Satellite Manufacturing Centers in affiliation with MTC's, and to authorize additional activities by NIST's State Technology Extension Program [STEP].

The third provision would create a National Manufacturing Technology Advisory Commission. This commission would provide advice to the President and Congress on promoting the development and application of new manufacturing technologies.

The bill contains modest authorizations for fiscal year 1993, and would authorize \$145 million for fiscal year 1994 and \$125 million for fiscal year 1995 for all the NIST manufacturing programs.

CONCLUSION

Mr. President, for a time during the 1980s, some people argued that the United States no longer needed a strong manufacturing sector. We had become a service economy, these people said, and could remain prosperous without factories. Others were content to let American manufacturing compete on the basis of low wages and basic products rather than high productivity and technological excellence.

It is clear that these viewpoints were not valid. The importance of manufacturing was summed up well in a 1989

book entitled "Made in America." Written by experts at the Massachusetts Institute of Technology [MIT], the book concluded that it is unrealistic to expect that the United States can rely solely on services. Exports of American services never could pay the cost of importing all manufactured goods; a loss of manufacturing industries would lead to the loss of related service sectors, such as engineering and insurance; and manufacturing always will remain essential for national security. The MIT experts went on to make this crucial point about the future of American manufacturing:

The important question is not whether the United States will have a manufacturing industry but whether it will compete as a low-wage manufacturer or as a high-productivity producer. * * * [T]he best way for Americans to share in rising world prosperity is to retain on American soil those industries that have high and rapidly rising productivity. Manufacturing, and high-technology manufacturing in particular, belongs in this category.

Mr. President, that is the choice we face. Industry and labor are ready to make manufacturing excellence once again a national priority. Industry is ready to define the research agenda, and to work with Federal officials and the States to help disseminate these new technologies and best practices to small manufacturers. The question now is whether the Federal Government will show real leadership, whether it will make manufacturing a true national priority, and thus whether it will make a determined effort to generate the standard of living and the good jobs that only high-productivity manufacturing can provide. Other nations have focused programs of their own. We also must make manufacturing a priority, or cede key industries and the best jobs to other nations.

S. 1330 is a sound way to use advanced technologies to help achieve these goals. It is not a panacea, and it must be matched by real improvements in training, tax policy, trade enforcement, and management attitudes. However, the bill is an important and necessary step. It will harness and coordinate the technological strengths of companies, Federal agencies, and the States in order to create an effective industry-led strategy to revitalize American manufacturing technology.

The bill, approved without objection by the Commerce Committee, has been endorsed by such notable groups as the National Association of Manufacturers, NACFAM, NCMS, and the Young Presidents Organization, an association of young corporate executives. These industry groups have been critical in developing this bill, and I thank them for their assistance.

I urge our colleagues to support passage of this important legislation.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be pro-

posed, the question is on agreeing to 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 PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to engrossed for a third reading, was read the third time, and passed, as follows:

S. 1330

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 "Manufacturing Strategy Act of 1992".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds and declares the following:

(1) The development and deployment of advanced manufacturing technologies and other process technologies are vital to the Nation's economic growth, standard of living, competitiveness in world markets, and national security.

(2) New developments in flexible computer-integrated manufacturing, electronic manufacturing networks, and other new technologies make possible dramatic improvements across all industrial sectors in productivity, quality, and the speed with which manufacturers can respond to customers and changing market opportunities.

(3) The United States currently leads the world in research on advanced manufacturing technologies, but often lags behind other nations in the full development, deployment, and use of these new technologies.

(4) Among the steps necessary for the United States to reap the full benefits of advanced manufacturing technology are further research and development activities, testbed projects to test and validate new technology, programs to accelerate the deployment of both new advanced technologies and valuable off-the-shelf equipment, full development of digital product data technology, enhanced transfer of federally-funded technology to industry, and increased cooperation among the Federal Government, industry, labor organizations, and the States.

(5) The Department of Commerce, in cooperation with the Department of Defense and other Federal agencies, has played and can continue to play an important role in assisting United States industry to develop, test, and deploy advanced manufacturing technologies.

(b) PURPOSE.—It is the purpose of Congress in this Act to enhance the ability of the Department of Commerce's technology programs to assist the efforts of private industry in manufacturing and, in the process, to help ensure the continued leadership of the United States in advanced manufacturing technologies.

SEC. 3. AMENDMENT OF THE STEVENSON-WYDLER TECHNOLOGY INNOVATION ACT.

The Stevenson-Wylder Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.) is amended by adding at the end the following new title:

"TITLE III—MANUFACTURING TECHNOLOGY

"SEC. 301. STATEMENT OF POLICY AND PURPOSE.

"(a) STATEMENT OF POLICY.—Congress declares that it is the policy of the United States that—

"(1) Federal agencies, particularly the Department of Commerce, shall work with industry to ensure that within 10 years of the date of enactment of this title the United States is second to no other nation in the development, deployment, and use of advanced manufacturing technology;

"(2) because of the importance of manufacturing and advanced manufacturing technology to the Nation's economic prosperity and defense, all the major Federal research and development agencies shall place a high priority on the development and deployment of advanced manufacturing technologies, and shall work closely with United States industry to develop and test those technologies; and

"(3) the Department of Commerce, particularly the Technology Administration, shall serve as the lead civilian agency for promoting the development and deployment of advanced manufacturing technology, and other Federal departments and agencies which work with civilian industry shall be encouraged, as appropriate, to work through the programs of the Department of Commerce.

"(b) PURPOSE.—It is the purpose of Congress in this title to help ensure, through the programs and activities of the Department of Commerce and other Federal agencies, continued United States leadership in the development and deployment of advanced manufacturing technologies and their applications.

"SEC. 302. ROLE OF THE DEPARTMENT OF COMMERCE.

"(a) MISSION IN MANUFACTURING.—The Department of Commerce shall be the lead civilian agency of the Federal Government for working with United States industry and labor to—

"(1) develop new generic advanced manufacturing technologies; and

"(2) encourage and assist the deployment and use of advanced manufacturing equipment and techniques throughout the United States.

"(b) DUTIES.—(1) The Secretary shall, through the Under Secretary and the Director and, as appropriate, in coordination with the heads of other Federal agencies and with industry, design and manage programs that—

"(A) identify technical, organizational, institutional, and informational barriers to the development, deployment, and use of advanced manufacturing equipment and technologies;

"(B) accelerate the development of advanced manufacturing technologies in such areas as computer-integrated manufacturing, advanced robotics, concurrent engineering, enterprise integration, communications networks for manufacturing, other advanced process technologies, computer software, and quality assurance techniques;

"(C) support projects, centers, and other mechanisms to help United States industry develop, test, and deploy advanced manufacturing and process technologies;

"(D) assist United States industry to—

"(i) develop and disseminate generic manufacturing process models and related techniques, including expert systems and benefit/cost analyses, that significantly increase quality, productivity, and flexibility;

"(ii) expand and speed the use of the best current manufacturing practices, such as total quality management, concurrent engineering, and just-in-time delivery; and

"(iii) develop techniques which help companies define their manufacturing technology needs and select production equipment;

"(E) increase coordination with industry for identifying the need for both interface and systems standards in manufacturing and, as appropriate, support testbeds so that industry can determine at early stages whether new technologies and prototypes are compatible with new standards; and

"(F) accelerate, in partnership with the States and industry, the broad deployment and adoption of advanced manufacturing technologies by medium and small, as well as large, manufacturers throughout the United States.

"(2) The Secretary, acting through the Under Secretary, also shall—

"(A) conduct analyses on how Federal policies and programs can better encourage private sector efforts to develop, test, deploy, and use advanced manufacturing technologies; and

"(B) work with the private sector as a catalyst to help develop new manufacturing business practices, teaching factories, shared manufacturing facilities, accounting standards, training methods, improved supplier-customer relations, and other steps which would accelerate the deployment and use of advanced manufacturing technologies by United States industry.

"(c) RELATION TO NATIONAL PLANS.—The Secretary, Under Secretary, and Director shall, as appropriate, ensure that Department of Commerce advanced manufacturing technology activities are conducted in a manner consistent with any national advanced manufacturing technology development plans that may be developed by the President or the Director of the Office of Science and Technology Policy.

"(d) COORDINATION WITH OTHER AGENCIES.—The Secretary and the Secretary of Defense shall coordinate their policies and programs to promote the development and deployment of advanced manufacturing technologies. The two Secretaries shall, as appropriate, form joint working groups or special project offices to coordinate their manufacturing activities.

"SEC. 303. ADVANCED MANUFACTURING SYSTEMS AND NETWORKING PROJECT.

"(a) ESTABLISHMENT OF PROJECT.—(1) In addition to such technology development responsibilities as may be set forth in other Acts, the Secretary, through the Under Secretary and the Director, shall establish an Advanced Manufacturing Systems and Networking Project (hereafter in this title referred to as the "Project").

"(2) The purpose of the Project is to create a collaborative multiyear technology development program involving the Institute, United States industry, and, as appropriate, other Federal agencies and the States in order to develop, refine, test, and transfer advanced computer-integrated, electronically-networked manufacturing technologies and associated applications.

"(b) PROJECT COMPONENTS.—The Project shall include—

"(1) an advanced manufacturing research and development activity at the Institute;

"(2) one or more technology development testbeds within the United States, selected through the Advanced Technology Program established under section 28 of the Act of March 3, 1901 (15 U.S.C. 278n), whose purpose shall be to develop, refine, test, and transfer advanced manufacturing and networking technologies and associated applications; and

"(3) one or more information dissemination contracts selected through the provisions of section 25 (d) and (e) of the Act of March 3, 1901 (15 U.S.C. 278k (d) and (e)), for

the purpose of providing information and technical assistance regarding advanced manufacturing and networking technologies to these small and medium-sized manufacturers.

"(c) **ACTIVITIES.**—The Project shall, under the coordination of the Director, undertake the following activities:

"(1) test and, as appropriate, develop the equipment, computer software, and systems integration necessary for the successful operation within the United States of advanced manufacturing systems and associated electronic networks;

"(2) establish at the Institute and the technology development testbed or testbeds—

"(A) prototype advanced computer-integrated manufacturing systems; and

"(B) prototype electronic networks linking the manufacturing systems;

"(3) assist industry to implement voluntary consensus standards relevant to advanced computer-integrated manufacturing operations, including standards for integrated services digital networks, electronic data interchange, and digital product data specifications;

"(4) help to make high-performance computing and networking technologies an integral part of design and production processes;

"(5) conduct research to identify and overcome technical barriers to the successful and cost-effective operation of advanced manufacturing systems and networks;

"(6) facilitate industry efforts to develop and test new applications for manufacturing systems and networks;

"(7) involve, to the maximum extent practicable, both those United States companies which make manufacturing and computer equipment and those companies which buy the equipment, with particular emphases on including a broad range of company personnel in the Project and on assisting small and medium-sized manufacturers;

"(8) train, as appropriate, company managers, engineers, and employees in the operation and applications of advanced manufacturing technologies and networks, with a particular emphasis on training production workers in the effective use of new technologies and thereby expanding the skill base of the workforce and increasing production flexibility and adaptability;

"(9) work with private industry to develop standards for the use of advanced computer-based training systems, including multimedia and interactive learning technologies; and

"(10) exchange information and personnel, as appropriate, between the technology development testbeds and the Regional Centers for the Transfer of Manufacturing Technology created under section 25 of the Act of March 3, 1901 (15 U.S.C. 278k).

"(d) **TESTBED AWARDS.**—(1) In selecting applicants to receive awards under subsection (b)(2) of this section, the Secretary shall give particular consideration to applicants that have existing expertise with digital data product technologies and that, in the case of joint research and development ventures, include both suppliers and users of advanced manufacturing equipment.

"(2) An industry-led joint research and development venture applying for an award under subsection (b)(2) of this section may include one or more State research organizations, universities, independent research organizations, or Regional Centers for the Transfer of Manufacturing Technology (as created under section 25 of the Act of March 3, 1901).

"(e) **RELATIONSHIP TO HIGH-PERFORMANCE COMPUTING PROGRAM.**—(1) The Project shall

be considered one of the Department of Commerce's activities under the Federal high-performance computing program and shall be considered a 'Grand Challenge', as that term is defined under that program. The Project shall remain under the jurisdiction of the Secretary, although the Secretary may, as appropriate, invite the participation of other Federal departments and agencies.

"(2) The Secretary and Director, in consultation with the Director of the Office of Science and Technology Policy, shall, as appropriate, direct that the Project conduct manufacturing networking experiments in partnership with the operators of the National Research and Education Network.

"(f) **ADVICE AND ASSISTANCE.**—(1) Within 6 months after the date of enactment of this title, and before any request for proposals is issued, the Secretary, through the Under Secretary and Director, shall hold one or more workshops to solicit advice from United States industry and from other Federal departments, particularly the Department of Defense, regarding the specific missions and activities of the testbeds.

"(2) The Secretary may request and accept funds, facilities, equipment, or personnel from other Federal departments and agencies in order to carry out responsibilities under this section.

"SEC. 304. OTHER AGENCY SUPPORT FOR INDUSTRY-LED RESEARCH IN MANUFACTURING AND PROCESS TECHNOLOGY.

"(a) **SUPPORT OF NATIONAL TECHNOLOGY BASE.**—(1) It shall be a mission of all Federal research and development agencies to support the national technology base upon which both the Federal Government and United States industry draw.

"(2) In order to contribute to the national technology base, each Federal department and agency is authorized and encouraged to provide support for industry-led technology development projects whose purpose is the development of critical generic technologies, particularly manufacturing and processing technologies, which are identified in the biennial critical technologies reports prepared pursuant to section 603 of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6683).

"(b) **METHODS OF SUPPORT.**—Each Federal department and agency may support industry-led technology development projects by either—

"(1) using or establishing its own program or programs to support industry-led technology development projects; or

"(2) channeling its funds to support industry-led technology development projects through the Advanced Technology Program established under section 28 of the Act of March 3, 1901 (15 U.S.C. 278n).

"SEC. 305. INSTITUTE FELLOWSHIPS IN MANUFACTURING ENGINEERING.

"(a) **GRADUATE FELLOWSHIPS.**—(1) The Under Secretary and Director, in consultation with other appropriate Federal officials, shall establish a program to provide fellowships to graduate students at institutions of higher education within the United States who choose to pursue masters or doctoral degrees in manufacturing engineering. The purpose of the program is to encourage larger numbers of highly qualified graduate students to enter manufacturing engineering and thereby help improve manufacturing within the United States. Such fellowships shall be awarded through a competitive, merit-based selection process.

"(2) In order to be eligible to receive one of the graduate fellowships established by this

subsection, a student must attend or be admitted to a university graduate program which has been certified by the Director as meeting the following criteria:

"(A) at least several manufacturing companies have a continuing relationship with the program;

"(B) the program has at least several faculty members with expertise in manufacturing; and

"(C) the program encourages its graduate students to acquire experience in industry before enrolling for graduate study.

"(b) **MANUFACTURING MANAGERS PROGRAM.**—The Under Secretary and Director also shall establish a program to provide fellowships, on a matching funds basis, to industrial executives with experience in manufacturing to serve for one or two years as instructors in manufacturing at two-year community and technical colleges in the United States. Fellowships shall be made through a competitive, merit-based process. In selecting fellows, the Under Secretary and Director shall place special emphasis on supporting individuals who not only have expertise and practical experience in manufacturing but who also can serve as bridges between two-year colleges and manufacturing firms in their areas.

"SEC. 306. NATIONAL QUALITY LABORATORY.

"(a) **ESTABLISHMENT.**—(1) There is established, within the Institute, a National Quality Laboratory (hereafter in this section referred to as the 'Laboratory'), the purpose of which is to assist private sector quality efforts and to serve as a mechanism by which United States companies can work together to advance quality management programs.

"(2) The Director may, under appropriate contractual arrangements, select one or more managers to operate such Laboratory activities as the Director deems appropriate, selecting such manager or managers from among individuals or broad-based nonprofit entities which are leaders in the field of quality management and which have a history of service to society.

"(b) **ACTIVITIES.**—The Laboratory shall—

"(1) provide technical services to manufacturing companies, service companies, and other organizations in the United States to help them improve the quality of their operations and products;

"(2) conduct research and analyses on ways to improve quality; and

"(3) facilitate and assist voluntary efforts by leaders from business, labor, and education to—

"(A) harmonize quality initiatives underway in given industrial sectors;

"(B) train individuals and organizations in the methods and criteria of the Malcolm Baldrige National Quality Award established under section 107 of this Act;

"(C) encourage and aid the creation and operation of State quality councils or institutes;

"(D) develop model criteria and materials, and, as appropriate, conduct workshops to provide employees with the education and training necessary to operate within quality management programs; and

"(E) in general assist in the broad dissemination of best practices available in total quality management, including the practices and quality improvement strategies successfully employed by those firms which have won the Malcolm Baldrige National Quality Award, as well as best practices in the fields of lean production, market-driven product improvement, and customer-supplier relations.

"(c) **FUNDING.**—The Secretary and the Director are authorized to use appropriated

funds to support the operations of the Laboratory. The Secretary and the Director also are authorized to seek and accept gifts from public and private sources to help fund the activities of the Laboratory."

SEC. 4. TECHNOLOGY EXTENSION AND DEPLOYMENT ACTIVITIES OF THE NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY.

(a) **MANUFACTURING TECHNOLOGY CENTERS.**—Section 25 of the Act of March 3, 1901 (15 U.S.C. 278k), is amended—

(1) by amending the section heading to read as follows: "MANUFACTURING TECHNOLOGY CENTERS";

(2) in subsection (c)(5), by inserting ", except for contracts for such specific technology extension services as the Director may specify" immediately before the period at the end;

(3) by striking subsection (d); and

(4) by adding at the end the following new subsections:

"(d) If a Center receives a positive evaluation during its third year of operation, the Director may, any time after that evaluation, contract with the Center to provide additional technology extension or transfer services above and beyond the baseline activities of the Center. Such additional services may include, but are not necessarily limited to, the development and operation of—

"(1) prototype regional teleconferencing and digital communications networks for the purpose of expanding the number of States, companies, and employees which can receive a Center's baseline services;

"(2) programs to assist small and medium-sized manufacturers and their employees in the Center's region to learn and apply the technologies and techniques associated with systems management technology; and

"(3) programs focused on the testing, development, and application of manufacturing and process technologies within specific technical fields such as advanced materials, electronics fabrication, or general manufacturing, for the purpose of assisting United States companies, both large and small and both within the Center's original service region and in other regions, to improve manufacturing, product design, workforce training, and production in those specific technical fields.

"(e) In addition to any assistance provided or contracts entered into with a Center under this section, the Director is authorized to make separate and smaller awards, through a competitive process, to nonprofit organizations which wish to work with a Center to enable those organizations to provide additional outreach services, in collaboration with the Center, to small and medium-sized manufacturers. Organizations which receive such awards shall be known as Satellite Manufacturing Centers. In reviewing applications, the Directors shall consider the needs of rural as well as urban manufacturers. No single award for a Satellite Manufacturing Center shall be for more than three years, awards shall be renewable through the competitive awards process, and no award shall be made unless the applicant provides matching funds at least equal to the amount requested from the Director."

(b) **STATE TECHNOLOGY EXTENSION PROGRAM.**—(1) Section 26(a) of the Act of March 3, 1901 (15 U.S.C. 2781(a)), is amended—

(A) by inserting immediately after "(a)" the following new sentence: "There is established within the Institute a State Technology Extension Program."; and

(B) by inserting "through that Program" immediately after "technical assistance".

(2) Section 26 of the Act of March 3, 1901 (15 U.S.C. 2781) is amended by adding at the end the following new subsection:

"(c)(1) In addition to the general authorities listed in subsection (b) of this section, the State Technology Extension Program also shall, through merit-based competitive review processes and as authorizations and appropriations permit—

"(A) make awards to State and conduct workshops, pursuant to section 5121(b) of the Omnibus Trade and Competitiveness Act of 1988, in order to help States improve their planning and coordination of technology extension activities;

"(B) support industrial modernization demonstration projects to help States create networks among small manufacturers for the purpose of facilitating technical assistance, group services, and improved productivity and competitiveness;

"(C) support State efforts to develop and test innovative ways to help small and medium-sized manufacturers improve their technical capabilities, including innovative methods for transferring Federal technology, for encouraging business networks and shared facilities among small manufacturers, for expanding the skill of the workforce, for identifying new manufacturing opportunities between small and large firms, and for working with the States and, as appropriate, private information companies, to provide small and medium-sized firms with access to data bases and technical experts;

"(D) support cooperative research and technology assistance projects between the Institute and the States, particularly projects, funded on a matching basis, to help firms within the State to improve their manufacturing and process technologies, including manufacturing education institutes;

"(E) as appropriate, promote the creation of industry-led State quality laboratories or institutes affiliated with the National Quality Laboratory established by section 307 of the Stevenson-Wylder Technology Innovation Act of 1980.

"(2) Each application for financial assistance under this subsection shall demonstrate a commitment to derive at least 50 percent of the resources necessary to defray the total cost of the program from non-Federal Government sources, unless the Secretary, acting through the Director, determines that a State government lacks the required resources due to chronic financial difficulties."

SEC. 5. NATIONAL MANUFACTURING TECHNOLOGY ADVISORY COMMISSION.

(a) **ESTABLISHMENT AND PURPOSE.**—There is established a National Manufacturing Technology Advisory Commission (hereafter in this section referred to as the "Commission"), for the purpose of examining what steps must be taken by industry and government to ensure that within a decade the United States has a modern industrial infrastructure, including research and development capabilities and equipment and facilities, second to no other nation.

(b) **ISSUES.**—The Commission shall address, but not necessarily limit itself to, the following issues:

(1) What range of factors affect how willing and able United States companies are to invest in new research, product development, and equipment and facilities, and how do those factors compare with conditions in other major industrialized countries?

(2) How do the cost, availability, and long-term or short-term orientation of capital in the United States affect the ability of companies to make investments and modernize industrial equipment and facilities?

(3) What are the particular industrial modernization problems, including capital problems, insufficient information, and workforce training needs faced by small- and medium-sized manufacturing firms in the United States?

(4) How feasible and appropriate would it be to create a privately-sponsored or government-sponsored enterprise which would serve as a secondary market for private loans for the purchase or lease of advanced manufacturing technology by small- and medium-sized manufacturers within the United States, and could an insurance premium provision be built into such an enterprise to ensure that a sufficient financial reserve would exist to cover any losses incurred by the enterprise?

(5) In general, what steps could the Federal Government, the States, and the private sector take to accelerate the modernization of United States industry, particularly manufacturing firms?

(c) **MEMBERSHIP.**—(1) The Commission shall be composed of 12 members, none of whom shall serve as full-time Federal employees during their term of service on the Commission, who are eminent in such fields as advanced technology, manufacturing, finance, and international economics and who are appointed as follows:

(A) Four individuals shall be appointed by the President, one of whom shall be designated by the President to chair the Commission.

(B) Four individuals shall be appointed by the Speaker of the House of Representatives, one of whom shall be appointed upon the recommendation of the minority leader of the House of Representatives.

(C) Four individuals shall be appointed by the President pro tempore of the Senate, three of whom shall be appointed upon the recommendation of the majority leader of the Senate and one of whom shall be appointed upon the recommendation of the minority leader of the Senate.

(2) Each member shall be appointed, within 60 days after the date of enactment of this Act, for the life of the Commission. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(d) **PROCEDURES.**—(1) The chairman shall call the first meeting of the Commission within 90 days after the date of enactment of this Act.

(2) Recommendations of the Commission shall require the approval of two-thirds of the members of the Commission.

(3) The Commission may use such personnel detailed from Federal agencies, particularly the Department of Commerce, as may be necessary to enable the Commission to carry out its duties.

(4) Members of the Commission, while attending meetings of the Commission while away from their homes or regular places of business, shall be allowed travel expenses in accordance with subchapter I of chapter 57 of title 5, United States Code.

(e) **REPORTS.**—The Commission shall, within one year after the date of enactment of this Act, submit to the President and Congress a report containing legislative and other recommendations with respect to the issues addressed under subsection (b).

(f) **TERMINATION.**—The Commission shall terminate 6 months after the submission of its report under subsection (e).

(g) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to carry out this section such sums as may be necessary for the fiscal years 1993 and 1994.

SEC. 6. ANNUAL REPORT ON NEGOTIATIONS POTENTIALLY AFFECTING FEDERAL RESEARCH AND DEVELOPMENT PROGRAMS.

The Secretary of Commerce, after consultation with the Director of the Office of Science and Technology Policy, shall report annually to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives on any current or planned Executive Branch positions in international negotiations, including negotiations regarding subsidies or government procurement, which would affect the activities, funding levels, or eligibility requirements of Federal domestic research and development programs.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

(a) **AUTHORIZATIONS FOR CERTAIN FISCAL YEAR 1993 ACTIVITIES.**—Of the amounts otherwise authorized to be appropriated to the Secretary of Commerce for fiscal year 1993—

(1) \$10,000,000 of the amounts authorized for the Manufacturing Engineering Laboratory of the National Institute of Standards and Technology (hereafter in this section referred to as the "Institute") are authorized only for carrying out the Institute's internal portion of the Advanced Manufacturing Systems and Networking Project established under section 303 of the Stevenson-Wylder Technology Innovation Act (as added by this Act);

(2) \$30,000,000 of the amounts authorized for the Institute's Advanced Technology Program are authorized only for support of the Advanced Manufacturing Systems and Networking Project established under section 303 of the Stevenson-Wylder Technology Innovation Act (as added by this Act); and

(3) \$5,000,000 of the amounts authorized for the Institute's Manufacturing Technology Centers are authorized only for support of Satellite Manufacturing Centers.

(b) **ADDITIONAL AUTHORIZATIONS.**—In addition to such other sums as may be authorized to be appropriated to the Secretary of Commerce and the Director of the Institute by this or any other Act, there are authorized to be appropriated to the Secretary and the Director—

(1) to carry out responsibilities under section 303 of the Stevenson-Wylder Technology Innovation Act of 1980 (as added by this Act), \$50,000,000 for fiscal year 1994 and \$40,000,000 for fiscal year 1995;

(2) to carry out responsibilities under section 305 of the Stevenson-Wylder Technology Innovation Act of 1980 (as added by this Act), \$5,000,000 for fiscal year 1993, \$30,000,000 for fiscal year 1994, and \$30,000,000 for fiscal year 1995;

(3) to carry out responsibilities under section 306 of the Stevenson-Wylder Technology Innovation Act of 1980 (as added by this Act), \$5,000,000 for fiscal year 1993, \$5,000,000 for fiscal year 1994, and \$5,000,000 for fiscal year 1995; and

(4) to carry out responsibilities under subsections (d) and (e) of section 25 of the Act of March 3, 1901 (as added by this Act), \$60,000,000 for fiscal year 1994 and \$50,000,000 for fiscal year 1995.

SEC. 8. MISCELLANEOUS AND CONFORMING AMENDMENTS.

(a) **DEFINITIONS.**—Section 4 of the Stevenson-Wylder Technology Innovation Act of 1980 (15 U.S.C. 3703) is amended by adding at the end the following new paragraphs:

"(14) 'Director' means the Director of the National Institute of Standards and Technology.

"(15) 'Institute' means the National Institute of Standards and Technology.

"(16) 'Assistant Secretary' means the Assistant Secretary of Commerce for Technology Policy.

"(17) 'Advanced manufacturing technology' means—

"(A) numerically-controlled machine tools, robots, automated process control equipment, computerized flexible manufacturing systems, associated computer software, and other technology for improving manufacturing and industrial production; and

"(B) techniques and processes designed to improve manufacturing quality, productivity, and practices, including quality assurance, concurrent engineering, shop floor management, inventory management, and upgrading worker skills."

(b) **REDESIGNATIONS.**—The Stevenson-Wylder Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.) is amended—

(1) by inserting immediately after section 4 the following new title heading:

"TITLE I—DEPARTMENT OF COMMERCE AND RELATED PROGRAMS";

(2) by redesignating sections 5 through 10 as sections 101 through 106, respectively;

(3) by redesignating sections 11 through 15 as sections 201 through 205, respectively;

(4) by redesignating sections 16 through 18 as sections 107 through 109, respectively;

(5) by striking section 19;

(6) by redesignating section 20 as section 110;

(7) by redesignating section 21 as section 206;

(8) by inserting immediately after paragraph 110 (as redesignated by paragraph (6) of this subsection) the following new title heading:

"TITLE II—FEDERAL TECHNOLOGY TRANSFER";

(9) in section 4—

(A) by striking "section 5" each place it appears and inserting in lieu thereof "section 101";

(B) in paragraphs (4) and (6), by striking "section 6" and "section 8" each place they appear and inserting in lieu thereof "section 103" and "section 105", respectively; and

(C) in paragraph (13), by striking "section 6" and inserting in lieu thereof "section 102";

(10) in section 206 (as redesignated by paragraph (7) of this subsection)—

(A) by striking "section 11(b)" and inserting in lieu thereof "section 201(b)"; and

(B) by striking "section 6(d)" and inserting in lieu thereof "section 102(d)"; and

(11) by adding at the end of section 201 (as redesignated by paragraph (3) of this subsection) the following new subsection:

"(h) **ADDITIONAL TECHNOLOGY TRANSFER MECHANISMS.**—In addition to the technology transfer mechanisms set forth in this section and section 202 of this Act, the heads of Fed-

eral departments and agencies also may transfer technologies through the technology transfer, extension, and deployment programs of the Department of Commerce and the Department of Defense."

(c) **APPLICATION OF ANTI-TRUST LAWS.**—Nothing in this Act shall be construed to create any immunity to any civil or criminal action under any Federal or State antitrust law, or to alter or restrict in any manner the applicability of any Federal or State antitrust law.

Mr. FORD. Mr. President, I move to reconsider the vote by which the bill was passed.

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

The motion to lay on the table was agreed to.

ORDERS FOR TOMORROW

Mr. FORD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 8:55 a.m.; that immediately following the prayer, the Journal of proceedings be deemed approved to date, and the time for the two leaders be reserved for their use later in the day; that the Senate then resume consideration of S. 2733 under the terms and limitations of the previous unanimous consent agreement; that upon disposition of S. 2733, there be a period for morning business for up to 45 minutes, with Senator SPECTER recognized to address the Senate; that at the conclusion of his remarks, the Senate then resume consideration of S. 2532, the Russian aid bill.

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

RECESS UNTIL 8:55 A.M. TOMORROW

Mr. FORD. Mr. President, seeing no other Senator wishing to speak, I ask unanimous consent the Senate now stand in recess under the previous order.

There being no objection, the Senate, at 10:09 p.m., recessed until Wednesday, July 1, 1992, at 8:55 a.m.

CONFIRMATION

Executive nomination confirmed by the Senate June 30, 1992:

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

LT. GEN. THOMAS J. MCINERNEY, ~~xxx-xx-xxxx~~ UNITED STATES AIR FORCE.

HOUSE OF REPRESENTATIVES—Tuesday, June 30, 1992

The House met at 11 a.m.

Rabbi Arnold G. Fink, Beth El Hebrew Congregation, Alexandria, VA, offered the following prayer:

Fountain of all truth, goodness, and justice, at the start of this new day we turn to You for inspiration. Shower Your spirit upon those who today take concrete steps that will affect the fate and destiny of our Nation, our world, and all who live here. Imbue within us a measure of Your insight, so that what we say and do here may not be far from what You would wish. Remind us of the rich diversity that we are, that righteousness and peace may flow from the understanding that no man or woman has divine clarity on truth, but that each strives toward the right with humility. Close our ears to the din of small-minded people and open them to the cries of the oppressed, that what we say and do here may be judged by history, by our children, and our children's children as decent and proper. May it be said that today we added a small measure to the world's storehouse of good. 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.

PLEDGE OF ALLEGIANCE

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

Mr. PAXON 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.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2905. An act to provide a 4-month extension of the transition rule for separate capitalization of savings associations' subsidiaries.

APPOINTMENT AS MEMBERS OF JOINT CONGRESSIONAL COMMITTEE ON INAUGURAL CEREMONIES

The SPEAKER. Pursuant to the provisions of Senate Concurrent Resolution 102, 102d Congress, the Chair appoints to the Joint Congressional Committee on Inaugural Ceremonies the following Members on the part of the House:

Mr. FOLEY of Washington;
Mr. GEPHARDT of Missouri; and
Mr. MICHEL of Illinois.

APPOINTMENT OF CONFEREES ON H.R. 5260, UNEMPLOYMENT COMPENSATION AMENDMENTS OF 1992

The SPEAKER. The Chair appoints the following conferees on the bill (H.R. 5260) to extend the emergency unemployment compensation program, to revise the trigger provisions contained in the extended unemployment compensation program, and for other purposes:

From the Committee on Ways and Means, for consideration of the House bill, and the Senate amendment, and modifications committed to conference:

Messrs. ROSTENKOWSKI, FORD of Tennessee, DOWNEY, Mrs. KENNELLY, and Messrs. ANDREWS of Texas, ARCHER, VANDER JAGT, and SHAW.

As additional conferees from the Committee on Energy and Commerce, for consideration of section 105 of the House bill, and section 104 of the Senate amendment, and modifications committed to conference:

Messrs. DINGELL, SWIFT, ECKART, SLATTERY, SIKORSKI, LENT, RITTER, and RINALDO.

As additional conferees from the Committee on Government Operations, for consideration of title VI of the House bill, and modifications committed to conference:

Mr. CONYERS, Mrs. BOXER, and Messrs. LANTOS, WISE, SYNAR, HORTON, KYL, and CLINGER.

The SPEAKER. Without objection, the Chair reserves the right to appoint additional conferees or to make changes among the conferees.

There was no objection.

DEFUNDING THE COMPETITIVENESS COUNCIL

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

Mr. WAXMAN. Mr. Speaker, today this House will debate whether to continue funding the regulatory activities of Vice President QUAYLE'S Council on Competitiveness. The issue goes to the heart of our democratic system.

There are certain fundamental responsibilities that come with being a regulator. You have to implement the law as written by Congress; you have to comply with the public disclosure rules of the Administrative Procedure Act and the Freedom of Information Act; you can't give regulatory breaks to major campaign contributors; you have to avoid conflicts of interest; and you have to be accountable to Congress.

The Council deliberately violates each of these principles. That is why it is a direct assault on our constitutional system.

The New York Times had an editorial about the Council today. It called the Council's activities, "plainly illegal." And it said that the Council is "twisting the regulatory process against the express wishes of Congress."

The Nation cannot tolerate these illegal activities. The role of the executive branch is to "faithfully execute" the laws enacted by Congress—not to subvert these laws during the regulatory process.

We must defund the Council on Competitiveness.

DON'T LEAVE CONGRESS WITHOUT IT

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

Mr. GOSS. Mr. Speaker, it is fair to ask "Are we getting our money's worth?" when we talk about spending public dollars. I rise today to ask the majority leadership to clarify just what benefits accrue to the American taxpayers from the continued, open-ended expenditure of hundreds of thousands of dollars a year to keep open fully staffed offices of the former Speakers of this House. What value is received by the public for this expenditure? One of our former Speakers has deftly arranged to change the TV commercial phrase "Don't leave home without it" to "Don't leave Congress without it." Another former Speaker is reportedly using his taxpayer-paid staff and office support to write a book. I wonder if the public will share in the profits, but I think we all know the answer. I raise this issue in a truly bipar-

□ 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.

tisan fashion—though I know it takes a leap of faith for some to believe we may someday have a former Republican Speaker who will also need our guidance in determining when enough is enough. I urge support for H.R. 3561, legislation that puts a reasonable limit on these unjustified and unlimited perks.

TRIBUTE TO GEN. JOHN ROGERS GALVIN

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

Mr. THOMAS of Georgia. Mr. Speaker, later today I and hundreds of others will gather at historic Fort Myer, VA, a few short miles from here.

We will be drawn together from across the country and the world to honor Gen. John Rogers Galvin, who has just retired as the Supreme Allied Commander, Europe, and the Commander in Chief, U.S. European Command. He now retires from the U.S. Army after a career of some 44 years.

Although I have not seen the program for today's ceremony, I am certain that General Galvin will be honored in a spectacular way, as befits a spectacular career in the service of our country.

A recent article on his retirement in the Washington Post said it with these words: "He departs (the Army) with a stature that leaves him arguably without peer among living generals."

Those are extraordinary words, but this is an extraordinary man.

I am confident that in the ceremony today, all due note will be taken of the fact that General Galvin has been an amazingly accomplished man in the art and the science of military leadership. Those who will speak will be far more qualified than I am to comment on General Galvin's demonstrated skill as a soldier.

Mr. Speaker, I am not an expert student of the military sciences. But after a decade in public service, I will lay claim to being something of an expert on people.

That is why I rise today in tribute to Jack Galvin.

I first met Jack Galvin in 1983, when I was a freshman Congressman, and he was a major general in command of the 24th Infantry Division (mechanized) at Fort Stewart, GA, in my congressional district.

His 2-year tour of command had only about 6 months remaining when I was sworn in as a Member of Congress. But when I expressed interest in learning all I could about the 24th, General Galvin took me under his wing. He is a scholar as well as a warrior. He is also an excellent teacher of Congressmen.

Although at the time I was a member of the House Committee on Agriculture, you would have thought that

General Galvin considered me to be the chairman of the Armed Services Committee. He had the patience and the talent to do a very good job in taking a farmer-turned-Congressman and teaching him the basics about an Army division and the capabilities of our military in a very troubled and complicated world.

In retrospect, I have decided that Jack Galvin took that time because he is so loyal to the Army. He must have decided that it would be embarrassing for the Army to have me representing his 24th Division in the Congress if I had been left as well-meaning but as ignorant as he found me.

Over the years, I have had the honor of spending much more time with General Galvin, and of hosting him for meetings with my colleagues when he was commander in hot spots such as our United States Southern Command in Panama. Later, I had the honor of spending several days with him in his home in Mons, Belgium, during his tenure as Supreme Allied Commander in Europe.

I found then, just as I had found years earlier at Fort Stewart, GA, that Jack Galvin is a remarkable man. He is not given to bragging. He is down-to-Earth. He is always listening and learning, and every new subject is a new fascination for him.

It is America's good fortune that during his service as the military commander of NATO beginning in 1987, Jack Galvin was to preside over the pivotal facing down of our Communist adversaries. Then he was to preside over the diplomatic challenge of turning our former enemies into our potential new allies.

General Galvin will now turn his attention to writing what I hope will be several books about his experiences and his extraordinary insight into the turbulent changes of our times. I hope to purchase the first copy, because I know it will be a treasure.

Because Jack Galvin is a young man of 63, this day of retirement does not mark his passage into the pastures of relaxation. Rather, it marks a time in which we can celebrate his passage into a civilian life that will greatly enrich this country. And, from a selfish standpoint, I am glad that he is now closer to home.

But, Mr. Speaker, although this is not a swan song day for Jack Galvin, I cannot let it pass without this last observation:

When we look for reasons to remind ourselves of the greatness of this Nation, we need look no further than to lives of men like John Rogers Galvin.

He is the son of a bricklayer, and the first of his family to finish college—the prestigious U.S. Military Academy at West Point, which he entered from service as an enlisted man in the Army.

He is a combat soldier who has won the Silver Star and many other decora-

tions, and wears the badge of a senior parachutist and a Ranger tab.

When the mission called for it, he was a courageous combat commander. When another mission called, he was the courageous and innovative military commander and diplomat who walked with polished care through the labyrinth of international affairs.

Through all those tasks, he and his extraordinary wife, Ginny, have raised four wonderful daughters—Mary Jo, Beth, Erin, and Kathleen, who are already well on their way to remarkable accomplishments of their own. Jack, Ginny, and their children have endured the tough tasks of long separations as well as the endless series of moves that come with family life in the Army.

Wherever this family has traveled in the service of the United States, they have been a tribute to our country and to the men and women who serve in the military. They have gone above and beyond the call of duty.

Mr. Speaker, Jack Galvin is a Renaissance man, a citizen-soldier whose range of interests and accomplishments makes him a modern-day Thomas Jefferson.

The wonderful young men and women of the American military are blessed to have commanders with the integrity of Jack Galvin.

This Congressman, this Congress, and all of the citizens of America are blessed by God that a man like Jack Galvin has been a career soldier in the service of our country.

Today at Fort Myer, we will do a good job in trying to express the depth of our Nation's gratitude to Gen. John R. Galvin, although there are no words that are truly adequate to that task.

Fortunately, the most enduring tribute to Jack Galvin is his own record of service as a soldier in the U.S. Army. That record will be a beacon for years to come to light the path of countless young men and women who will follow his footsteps in military service.

GOOD NEWS FOR STUDENTS AND FAMILIES

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

Mr. BARRETT. Mr. Speaker, for once we have good news to share with the American people. The administration and Congress have worked together, to produce legislation that will benefit millions of Americans and still stay within our "paygo" rules.

Many of this Nation's 12 million students, and their families, have been demanding access to Federal financial aid. Small business owners, farmers and ranchers, and home-owners—the middle class—have been calling on us not to let the sophomoric politics of "winners" and "losers," derail the changes necessary to give them that

access. For once both sides listened, and yesterday the conference report on S. 1150, the Higher Education Amendments of 1992, was filed.

Through tough negotiations last week, a compromise on a direct loan demonstration program was finalized; clearing S. 1150 for enactment.

I am particularly pleased that provisions from my bill, H.R. 3411, which discounts farm, home, and small business equity, from financial need calculations, was included in the conference agreement. This will help 900,000 students gain access to Federal aid.

Let us see if we can make the goodwill that has been exhibited by the legislative and executive branches, continue for the rest of the session.

NO MONEY FOR AMERICAN CITIES

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

Mr. TRAFICANT. Mr. Speaker, the newspapers say that the \$1 million aid package for America is hung up. Talks are stalled because they cannot find the money.

In addition, Congress is having a rough time trying to find money to incentivize enterprise zones for American cities. Meanwhile the other body says it is a matter of national security that we give Russia \$12 billion.

Now, if this is not enough to warm your globe, Congress has already given \$13 billion in foreign aid. Congress will give another \$12 billion to Russia in foreign aid. Congress is having a rough time finding \$1 billion for American cities.

□ 1110

The truth of the matter is, while Congress keeps concerning themselves with cold wars overseas, Congress is overlooking the hot wars in American cities. I say let us stop the foreign aid, stop the \$12 billion, and put the money in America. After all, the American taxpayers deserve it. They earned it, the hard way.

PRESERVE THE COUNCIL ON COMPETITIVENESS

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

Mr. ROHRBACHER. Mr. Speaker, formerly, before coming to this body and before getting involved in politics, I was a journalist. People used to think that I asked the toughest questions as a journalist, but I only asked one question, and it was in different forms, admittedly, but it was all with the same question of everybody. It was, "How much is it going to cost, and who is going to pay for it?"

One of the biggest political shams that goes on in a democracy is that politicians try to promise people that they can do things for them for free and that nobody is going to have to pay anything, and there will be benefits that will just come out of the air. A lot of times they will promise Government programs and allude to a Government money pit in the District of Columbia that we can just shovel the money here and shovel it back into our local States and communities.

That we know is a fraud, one of the biggest, because the people have to pay for those services, the American people, the taxpayers, the consumers. Really, one of the worst shams on something for nothing is the idea that we can pass regulations on business and they will make things better and it will cost no one any money at all.

The fact is the Council on Competitiveness is trying to cut down this horrendous cost on the American people, and it should be preserved.

EMERGENCY ASSISTANCE FOR FRICH, TX

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

Mr. SARPALIUS. Mr. Speaker, imagine what it would be if we would have woken up Sunday morning, turned on our TV's, and found that the big one had hit California. Imagine how we would feel if we found out that in Los Angeles over half of their population, 650,000 people, would have lost their homes, homes would have been damaged or destroyed, businesses crumbled. The whole country would have rushed to their aid.

Thank God it did not happen, but it happened in my district, in the small town of Frich, which has only 2,335 people. Three tornados hit that town, destroyed over half of the buildings, caused \$50 million worth of damage. It will cost \$21,423 per person to put their town back to the way it was.

We all rushed to help LA and Chicago. Where is the difference in a big town and a small town? I challenge my colleagues and I challenge the President to try to help a little town like Frich, for those people that are struggling to put their community back together, and provide them with the same emergency assistance.

COUNCIL OF ECONOMIC COMPETITIVENESS

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

Mr. BALLENGER. Mr. Speaker, here we go again, some of my colleagues on the other side of the aisle are willing to play politics with the future of work-

ing Americans. In an attempt to discredit the fine work of the Vice President, it is likely that there will be an amendment to the Treasury and Postal appropriations that will eliminate funding for the Council on Competitiveness. Well, Mr. Speaker, does the old saying, "Penny wise and pound foolish" ring a bell?

Any attack on the Council is unwarranted. The fact is that the Council on Competitiveness has done great work. The Council has been part of a concentrated effort on the part of executive branch agencies, and the Office of the Vice President to reduce the burden of Federal regulations and increase our domestic and international competitiveness.

We all know that excessive regulations costs Americans jobs. The Council has worked to increase U.S. competitiveness, thereby creating jobs and economic opportunity.

Mr. Speaker, let my colleagues who wish to defund the important work of the Council on Competitiveness look into the eyes of patients who suffer from diseases such as cancer, AIDS, Alzheimer's, depression, and cystic fibrosis and tell them that the work the Council did to speed up the FDA approval of life prolonging and possible life saving drugs is of no use.

Congressional attackers have misled the American public with scare tactics. Congress is the boogiemanager here not the Council on Competitiveness.

URGING CONGRESS TO ENFRANCHISE AMERICAN CITIZENS IN U.S. TERRITORIES

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

Mr. DELUGO. Mr. Speaker, several joint resolutions have now been introduced—three in the House of Representatives and one in the other body—all calling for a constitutional amendment to eliminate the electoral college and provide for direct popular vote in the election of the President.

Three of these resolutions have been introduced in the past few weeks because there will most likely be three candidates in this year's race, which could trigger a constitutional crisis under the present electoral system.

Indeed, a constitutional crisis is a very real threat. But I rise today, Mr. Speaker, to bring to the attention of my colleagues an ethical and moral crisis that already exists—the denial of the right of American citizens residing in the territories of the United States to vote for President.

Is it a moral question? It is indeed, when these citizens must go to war but cannot have a say in choosing the Commander in Chief like their fellow citizens.

Even Americans living abroad have this right. But U.S. citizens living in a U.S. territory are disenfranchised.

It is patently unfair, immoral, and unethical to continue to disenfranchise these American citizens when all over the world democratic values are being adopted and people are being franchised, many for the first time.

Mr. Speaker, it was only in 1961 that the right to vote for President was finally extended to the U.S. citizens of the District of Columbia. Correcting that inequity took long enough.

Now, I say, "Enough" for the territories of the United States. It is time to give these American citizens the right to vote.

I have asked the sponsors of these various resolutions to include this in their proposed constitutional amendments, and I will be introducing a separate resolution on this issue.

I urge my colleagues to support this effort to correct a longstanding disenfranchisement of American citizens.

THE SITUATION IN SARAJEVO

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

Mrs. BENTLEY. Mr. Speaker, according to Reuters this morning:

Paneloads of emergency food and medicines reached Sarajevo on Tuesday for the first time since it came under siege three months ago.

Representatives of the U.N. High Commissioner for Refugees were due to distribute 26 tonnes of food and medicines brought in by four French air force planes—the first to land since U.N. peacekeeping troops took control of Sarajevo airport on Monday.

The French have offered to fly in 120 marines to assist the U.N. forces already at the airport, and a battalion of Canadian troops is en route from Croatia and convoys could arrive as early as this evening. The Bosnian Serbian leader has promised safe passage over the highways leading to Sarajevo.

However, the situation is still dicey, with fighting reported between Serbian and Bosnian units, which have been firing at each other across the perimeter of the airport. According to CNN this morning, three U.N. peacekeepers were wounded in the crossfire.

But, Mr. Speaker, this is a start. The efforts of the United Nations, President Mitterand of France, and the French Air Force should be commended. Let us hope that this is a first step on the road to peace and stability not only in Bosnia-Herzegovina, but throughout the region.

INTRODUCING "JUMPSTART AMERICA"

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

Mr. APPELGATE. Mr. Speaker, America needs a jumpstart to get the economy moving and to balance the

budget. Congress and the White House do a lot of jawing, but they do not do anything about it.

Today I am going to introduce "Jumpstart America." It is based on real jobs, on the simple premise: no jobs, no income, no tax, no balanced budget. What I want, I want people who are on welfare to work. I want people, countries, and corporations, foreign and domestic, to pay the money that they owe the U.S. Government. I want to incentivize American industry. I want trade equity established to stop sending our jobs overseas. I want revenues cut in defense, revenues cut in foreign aid, and waste cut at all levels of Government, and we can do this with no new taxes.

I want the Members to give me a call. I want them to join me, because I will tell the Members, this one is a winner.

LEGISLATION PLANNED FOR MAINTENANCE OF AEROSPACE INDUSTRY, JOBS

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

Mr. LEWIS of Florida. Mr. Speaker, this week I plan to introduce legislation which will take a major step toward retaining the competitiveness of America's aerospace industry and ensuring the jobs of over a million aerospace workers.

My bill will establish a joint aeronautical research and development program between NASA and the Pentagon for the development of dual-use aerospace technologies.

Many people do not realize the extent to which NASA is involved in aeronautical research and how they have been instrumental in our \$30 billion aerospace trade surplus. The second letter in NASA stands for "Aeronautics."

By combining NASA and Department of Defense expertise, we can ensure the superior status of both our military and civilian aerospace industries. Even more important, this can be accomplished without bringing down the firewalls, or new budget authority.

Mr. Speaker, we simply cannot let our aerospace lead dwindle in either the defense or civilian arena. I urge my colleagues to cosponsor this important competitiveness legislation.

□ 1120

SUPREME COURT DECISION

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

Mr. WEISS. Mr. Speaker, let us cut through the fog of misleading rhetoric on yesterday's Supreme Court Decision. The facts are that a woman's free-

dom of choice has been sorely compromised.

Do not be confused by the technicalities of yesterday's ruling, the Government has intruded upon a woman's individual right to make decisions about her body. More so, this is a blatant judicial pronouncement of Mr. Bush's cruel disregard for the privacy rights of not only American women but of every citizen in the United States.

If the Supreme Court will not safely defend a woman's reproductive rights, then, my colleagues, we must take action. We, the Congress of the United States, must pass the Freedom of Choice Act to insure that a woman's constitutional right to choose abortion remains safe and legal, regardless of where she lives. We must not allow Mr. Bush's contempt for women to prevail and we must not allow the back alley butchery of 20 years ago to become the reality of tomorrow.

OPPOSING REIMPOSITION OF WHALING

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

Mr. LAGOMARSINO. Mr. Speaker, I was very dismayed to learn that two NATO allies, Iceland and Norway, have chosen not to renew the international moratorium on whaling and once again engage in hunting down and slaughtering minke whales. I urge my colleagues to join me in condemning this needless, selfish action and supporting appropriate economic sanctions.

Congress recently passed a resolution, which I cosponsored, calling for a permanent extension of the International Whaling Commission's ban on commercial whaling. Whales and other marine mammals are extremely intelligent animals, harmless to man. There is no reason to kill these gentle leviathans and upset the ocean's fragile life-cycle upon which many of us ultimately depend.

The ocean and its maritime life are invaluable resources which must be responsibly conserved. As modern, industrialized nations, Iceland and Norway have provided no credible reasons to break the legitimate international ban on whaling other than to protect their obsolete whaling industries.

As this is 1992, not 1852, that claim is ridiculous. Times have changed. The "Pequod" sails from Nantucket to hunt Moby Dick no more. Oslo and Reykjavik should let the ghost of Captain Ahab remain in Davy Jones' locker and rejoin the rest of the world in banning the cruel, inhumane practice of whaling.

CONGRESS MUST UPHOLD A WOMAN'S RIGHT TO CHOOSE

(Mr. SCHUMER asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, in 1980 a politician said of the 1973 Roe versus Wade decision affirming a woman's right to choose, "I happen to think it was right." It could have been me or a number of my colleagues. In fact, it was George Bush, who would soon reverse his position to gain acceptance as Ronald Reagan's No. 2 man. In short, George Bush made a deal with the devil 12 years ago, and yesterday over at the Supreme Court the devil called in his due.

Any of my colleagues who ascribe to the myth that Roe was left standing by yesterday's decision should heed the words of Chief Justice Rehnquist in his dissent. "Roe exists only as a storefront on a western movie set exists, a mere facade that gives the illusion of reality." President Bush is ready to kick in that facade the second Harry Blackmun moves out of the way. The majority of Americans, who are pro-choice, cannot afford to give George Bush that chance in the next 4 years. Neither the Court nor the President will preserve any vestige of a woman's right to choose. It is up to the Congress.

FOREIGN POLICY ACCOMPLISHMENTS OF REAGAN/BUSH ADMINISTRATIONS

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

Mr. DREIER of California. Mr. Speaker, while it is not politically appealing to talk about foreign policy issues, it seems to me that today is an appropriate time to recognize two great accomplishments that came about because of the policies first of President Reagan and now of President Bush.

Today we have witnessed the inaugural of Fidel Ramos as the new President of the Philippines, and it is the first peaceful transition of government in over a quarter of a century. It was 1965 that we last saw a peaceful transition in the Philippines.

In his inaugural address President Ramos made a very bold and dynamic statement which I think bodes well for the future of the United States and for the rest of the world. He made a strong commitment to the policies of free trade and an end to protectionism.

Mr. Ramos led the charge in preventing six attempted coups against Corazon Aquino, and I believe he is very well suited to serve the people of the Philippines.

We also should recognize that we have seen for the first time the beginnings of disarming the Farabundo Marti National Liberation Front, the FNLM in El Salvador. I think that is another foreign policy success that has

come about because of the policies of the two administrations.

OPPOSING THE MCDADE 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, I rise today to urge my colleagues to oppose the McDade amendment to the Treasury-Postal appropriations bill, which would restore funding to the President's Council on Competitiveness.

Let's face it, the Council on Competitiveness does not promote competitiveness. What it does is provide privileged access to a favored few seeking to skew Federal regulations in their favor. The only thing the Council streamlines is White House access of special interests that are trying to gut environmental and public health laws.

For the rest of us, the Council has become a dangerous threat. For instance, the administration has used the Council to conceal its backsliding on environmental protection. In 1990, the President hailed the passage of the Clean Air Act. In 1992, his Council is destroying that law through loophole-ridden regulations.

The Council on Competitiveness should be renamed the "Panel of Privileged Access," and its chairman, DAN QUAYLE, should be renamed "Ombudsman for Moneyed Interests." That is Moneyed, with an "e."

SUPREME COURT DECISION PROHIBITING NONSECTARIAN PRAYER AT PUBLIC SCHOOL GRADUATION CEREMONIES

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

Mr. CALLAHAN. Mr. Speaker, I rise today to express my sense of dismay at the recent Supreme Court decision prohibiting nonsectarian prayer at public school graduation ceremonies.

Regrettably, the High Court's decision follows earlier action prohibiting American students from praying in the classroom. The June 24 decision, however, is particularly unfortunate since it denies to the graduates of our Nation's public school's privilege enjoyed each day by Members of this Congress: The opportunity to seek the Lord's guidance as they prepare for the challenges which lie ahead. Mr. Speaker, surely this too is not just another congressional perk.

Some, no doubt, will hail this decision as an added brick in the "wall of separation between church and State. But Mr. Speaker, I also believe that this wall of separation was constructed principally to protect the free exercise of religion, not to restrict it.

How strange that a benediction which urges its listeners "to do justly, to love mercy, [and] to walk humbly" should meet such staunch opposition. And how sad that the American Civil "Liberties" self-proclaimed defender of our constitutional rights, should proclaim the High Court's decision "terrific."

Mr. Speaker, I fail to see the victory in having Rabbi Leslie Gutterman's simple prayer banned from the school house. It seems that students today may be exposed to most anything—sex, violence, drugs, even racism—but somehow they cannot exercise what really seems more like a right than a privilege—the right to give thanks for God's many blessings. This, Mr. Speaker, is an outrage.

THE ADMINISTRATION'S BORDER ENVIRONMENTAL PLAN

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

Mr. TORRES. Mr. Speaker, soon Congress will take action on the 1993 appropriations bill to fund the President's Integrated Environmental Plan for the Mexican-United States border area.

The President is requesting over \$182 million for 1993 to begin implementing EPA's border environmental plan.

The Bush administration would like for us to believe that the border environmental plan is part of its efforts to clean up the border's pollution. The President, and the EPA, would have us believe that the border plan is part of NAFTA's environmental commitment. However, the integrated border plan was conceived independently of NAFTA.

In order for the border plan to work, bilateral cooperation between the United States and Mexico is crucial. Yet, I question whether there can be any real bilateral cooperation between Mexico and the United States when Mexico has totally dismantled its environmental agency.

With the recent dismantling of SEDUE, Mexico's environmental agency, EPA may be dealing with one, two, and possibly three, newly created, highly decentralized Mexican agencies on environmental enforcement and ecological compliance.

Mr. Speaker, I may well support the border plan's appropriation, because the money will largely go to clean-up projects of the U.S. side. Yet, I believe that the border plan lacks sufficient funds, lacks adequate enforcement measures, and is not connected to the trade agreement.

While Congress moves to fund the border environment plan, I call upon the administration to comply with its commitments to Congress. I ask that the administration show more commit-

ment to the funding and protection of our environment.

Mr. Speaker, the environmental problems along the border will require more money, stronger political leadership from the administration, and a solid commitment from both governments to prevent further degradation of our natural resources.

□ 1130

CONGRESS SHOULD STUDY MARYLAND/HERITAGE FOUNDATION HEALTH REFORM PROPOSAL

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

Mr. STEARNS. Mr. Speaker, something revolutionary is happening in Maryland. It is called the consumer choice health plan and represents a basic change in the way the State conducts its health care business.

This proposal relies on market forces to control costs while delivering a superior product. It would also return a very basic right to Maryland residents—the freedom to choose their own health care.

Some of the Maryland plan's highlights include:

Every individual and head of household would have to enroll themselves and their dependents in a health-care plan.

Families would be given tax credits or vouchers to help buy their insurance and defray the costs of health care.

Employers who now provide coverage for their workers would no longer be required to pay the crushing costs of health insurance.

The Maryland health care plan is similar to a national plan offered by the Heritage Foundation here in Washington. Experts conclude that the Heritage proposal wouldn't cost the Federal Treasury a penny and might save \$11 billion a year in reduced health costs.

Mr. Speaker, Congress needs to study the plans offered by the State of Maryland and the Heritage Foundation.

RUSSIANS NEED FREE ENTERPRISE, NOT BORROWED DOLLARS

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

Mr. DUNCAN. Mr. Speaker, the G-7 nations have sent approximately \$60 billion in aid to the Soviet Union in the past 2 years. Now we are being asked to send \$24 billion more.

In addition, the administration has recommended a \$12 billion increase in the U.S. contribution to the International Monetary Fund, mostly for loans to the CIS, the former Soviet Union states. This is aid to a country

that has greater wealth and natural resources than we do.

The Washington Times reported recently that over \$100 billion in gold is missing and unaccounted for in the breakup of the Soviet Union.

Now, Forbes magazine has reported that Russia has oil reserves that could equal those of Saudi Arabia. James Clarke, a retired United States Geological Survey geologist who has studied the region for over 30 years, puts Russian oil reserves at 160 billion barrels. Daniel Yergin, president of Cambridge Energy Research Associates, says the reserves could be as high as 260 billion barrels.

Mr. Speaker, we will soon be called on to vote for a Russian aid package that we cannot afford and that we will have to borrow to finance.

What the Russians need is one thing: free enterprise, not borrowed United States dollars.

COUNCIL OF ECONOMIC COMPETITIVENESS

(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, there is a saying that goes: "Give a child an inch and he'll take a mile". It is a sad day when this piece of conventional wisdom can be applied to our Nation's legislature but once again the entrenched imperial Congress is acting like the oversized child that it is. Refusing to relinquish its chokehold on our Nation's businesses, Congress is slowly strangling the economy.

As any businessman will tell you, over-regulation is one of the greatest obstacles entrepreneurs face. Refusing to listen to the pleas of industry, Congress gleefully adds to the burden of doing business in this country. Given the power to regulate our Nation's corporations, it has taken this power and run.

The latest intended victim of Congress's economic infancy is the Vice President's Council on Competitiveness. Employing a child's "Don't sit on my side of the car" mentality, Congress has taken offense at the Vice President's perceived encroachment. Blindly lashing out to protect its territory, Members of the House have introduced a bill to slash the salaries of two staffers. With this blatant strike, Congress has moved from mere stupidity to outright malice. Mr. Speaker, it is one thing to be ignorant. It is another to be malicious. Congress should put aside its infantile attitudes and set this country on the path towards economic growth.

THE BEGINNING OF A HAPPIER CHAPTER FOR THE ATLANTIC OCEAN

(Mr. CARPER asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. CARPER. Mr. Speaker, since 1920, over 150 municipalities have dumped their sewage sludge into the Atlantic Ocean. They did so because it was cheap, it was out of sight, it was out of mind.

In 1987 and 1988, tragedy visited our eastern shore as thousands of bottlenosed dolphins washed up dead along the Atlantic seaboard. They were joined by medical waste which closed beaches in New York and New Jersey.

Out of that tragedy some good has come. The Ocean Dumping Ban Act of 1988 was adopted. It imposed escalating fees on those who continued to dump the sewage sludge in our ocean. Those fees could only be used for one purpose, to help those municipalities to find ways to stop their ocean dumping of sewage sludge. That is what they have done.

Since 1992 began, only one municipality, New York City, was still dumping sewage sludge in our ocean. Now that practice, too, will end. At 4 p.m. yesterday, the last barge bearing sewage sludge set sail from New York City. When it returns to New York City tonight, no more will follow it.

A sad chapter in mankind's abuse of the Atlantic Ocean has come to an end. For the millions of families who will visit our shores and swim in our ocean this year and the years to come, a far happier chapter is about to begin.

GENERAL LEAVE

Mr. MCHUGH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the consideration of the bill H.R. 5487, which will be considered today, and that I be permitted to include extraneous matter.

The SPEAKER pro tempore (Mr. McNULTY). Is there objection to the request of the gentleman from New York?

There was no objection.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1993

Mr. MCHUGH. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5487) making appropriations for Agriculture, rural development, Food and Drug Administration, and related agencies programs for the fiscal year ending September 30, 1993, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 1 hour, the time to be equally divided and con-

trolled by the gentleman from New Mexico [Mr. SKEEN] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. MCHUGH]? There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. MCHUGH].

The motion was agreed to.

□ 1138

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5487) making appropriations for Agriculture, rural development, Food and Drug Administration, and related agencies programs for the fiscal year ending September 30, 1993, and for other purposes; with Mr. SPRATT in the chair.

The Clerk read the title of the bill.

By unanimous consent, the bill was considered as having been read the first time.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from New York [Mr. MCHUGH] will be recognized for 30 minutes, and the gentleman from New Mexico [Mr. SKEEN] will be recognized for 30 minutes.

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

Mr. MCHUGH. Mr. Chairman, I yield such time as he may consume to the gentleman from Mississippi [Mr. WHITTEN], the distinguished chairman of the full committee, who also serves as chairman of this subcommittee.

Mr. WHITTEN. Mr. Chairman, your Committee on Appropriations has done its work again this year in a timely manner. We began hearings on January 23.

The President submitted his budget January 29. Our 13 subcommittees took testimony from nearly 5,600 witnesses on 246 days of hearings.

On April 29, we had full committee on an \$8.16 billion rescission bill which the House passed on May 7, and the President signed on June 4.

On May 12, we had full committee on a dire emergency disaster supplemental bill which the House passed May 14, and the President signed on June 22.

On May 21, the conference agreement on the 1993 budget resolution was adopted and on June 11 the committee approved the subcommittee allocations.

The full committee has reported eight bills and this is the fifth bill to be presented to the House.

On Wednesday, our 10th bill will be reported from committee.

On Wednesday, our 13th subcommittee will complete markup.

So, Mr. Chairman, we have done our work on our regular bills as well as

handling a very complicated rescission bill and an urgent disaster supplemental bill. The committee has done its work quickly and well.

Mr. Chairman, since 1945, Appropriations bills have been \$188.8 billion below the total amounts requested by the various Presidents.

Since I became chairman in 1979, Appropriations bills have been \$31.8 billion below the Presidents' requests.

We have done this with the overall support of the Presidents for, since 1979, of the 202 bills presented to the President, 188 were signed, 1 veto was overridden, and the rest were worked out.

We come today to what I believe is basic to the welfare of our people and also to the national economy—agriculture. It is very important to handling our international relations, for the people of many nations of the world need our food. A prosperous agriculture and sound rural economy is the quickest and best answer to solving many of the problems in our major cities and similar problems around the world.

Food, clothing, and shelter are basic to the well-being of all mankind. Our Nation's ability to produce this is not exceeded by any nation of the world, so our ability to produce food, clothing, and shelter is our chief asset as we set out to maintain our top position worldwide.

Agricultural products are our chief dollar earner in world trade. Our productivity and our know-how to produce food and other materials provides us with what the world about us needs.

American agriculture has done a fine job and it is time we use our ability and our know-how to hold, and in many cases, to regain our normal domestic and foreign markets.

In the process, agriculture is critical to bringing our national and international debt under control while continuing to control inflation at home.

My colleagues, we have made the case. Let me tell you of the work which has gone into the bill we present today. We have had 5 weeks of hearings with 235 witnesses.

We received over 600 written requests from Members of Congress and 26 Members of Congress testified before our subcommittee. Our hearing record totals 6,116 pages.

We have brought you a bill which addresses many of our Nation's needs, both for our cities and our rural areas:

Protection of health and welfare of our people by the Food and Drug Administration, and the food inspection programs of the Department of Agriculture;

The feeding programs such as school lunch, food stamps, elderly feeding, and the Women, Infant, and Children Program [WIC] which has proven so beneficial;

Rural development programs such as rural housing, water, and sewer;

The conservation programs which protect our soil and water resources for future generations; and

The research and extension programs which have helped make our agricultural system the most productive in the world.

My colleagues and friends, where are the hungry people of the world going to look for food, medical care, and all these things which are so essential to the well-being of the people? They look to the United States—which is out in front. Let us help to provide those necessities, for our people have the same needs as does our economy.

Finally, I wish to say thanks to BILL NATCHER for his contributions on the work of this subcommittee as well as other appropriations matters. I also wish to thank MATT MCHUGH of New York, JOE SKEEN of New Mexico, and JOHN MYERS of Indiana, and all the members of the Agriculture Subcommittee for the work they done on this year's bill.

We have been on the job in handling of the appropriations bills in this Congress, along with all the other things we have had to do.

Let me also say thanks to those in the Legislative Subcommittee for all their hard work along with all workers in the field of agriculture production, marketing, and distribution, as well as those engaged in research which is so very essential.

□ 1140

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

Mr. Chairman, the distinguished gentleman from Mississippi [Mr. WHITTEN] has personally asked that I manage this bill on his behalf, and of course I am honored and privileged to do so.

I have served on this committee and this subcommittee for 14 years now. I must confess that when I first joined the committee, I knew virtually nothing about agriculture, but sitting next to the gentleman or near the gentleman from Mississippi for those years, I have learned a great deal. I want to pay tribute to him today in part because this is the last time I will be speaking on this Agriculture bill and because personally I am very grateful to the gentleman not only for what I have learned, but for what he has contributed to this Nation for more than 50 years of service in this Congress, which as we all know is a record of service.

I also want to express my appreciation to the ranking member, the gentleman from New Mexico [Mr. SKEEN] who is always a delight to work with and who has contributed a great deal to this bill as well.

It has always been a privilege to serve on this subcommittee where there is genuine bipartisan support for the important programs funded by this bill. As you know, this is my last year

here and as I leave the Congress, I want to say a special thank you to all of my colleagues on this subcommittee for their willingness to share their knowledge and work together in support of the agriculture and consumer programs in this bill. I also want to thank our fine subcommittee staff, Bob Foster, Tim Sanders, Carol Novak, and Toni Savia, whose advice, dedication and support are invaluable to the Members in developing the bill. I would also like to pay special tribute to my own legislative assistant, Susan Warner, who has been invaluable to me.

Today we bring to the floor the bill which funds the Department of Agriculture and related agencies, such as the Food and Drug Administration, the Commodity Futures Trading Commission, the Farm Credit Administration, and the Farm Credit Assistance Board. The agencies we fund are critical to both farmers and consumers.

Mr. Chairman, this bill funds the producer programs, provides for rural development, agricultural research, and consumer health and safety programs. Sixty-three percent of the funds in the bill are devoted to the domestic feeding programs. It is a balanced bill, and it is certainly a lean bill.

The bill totals \$59 billion, which is \$1.4 billion below the President's budget request. Mandatory spending accounts for \$45.3 billion of the total, leaving only \$12.3 billion available for domestic discretionary spending.

The bill is \$6.4 billion higher than last year, which is primarily accounted for by a \$4.2 billion increase in the feeding programs and a \$2 billion replenishment of funds for losses by the Commodity Credit Corporation [CCC], both of which are mandatory spending.

Of the total bill, \$36.9 billion, or 63 percent, is for the feeding, consumer, programs. Agriculture programs represent \$13.5 billion, including \$9.2 billion for CCC. Conservation programs are \$2.7 billion, while Farmers Home and Rural Development Related programs account for \$2.9 billion. Foreign assistance programs—Public Law 480—are \$2.1 billion. Related agencies, including the Food and Drug Administration, are \$0.9 billion.

The recommendations we make today for discretionary programs total \$12.3 billion in budget authority and \$11.84 billion in outlays, which is at the subcommittee's outlay ceiling. Therefore, any increase to the recommendations will require an offsetting reduction.

In order to stay within our budget ceiling, the committee applied a number of rigorous standards in writing this bill. As a general rule, we held salary and expense accounts to this year's level, or below it if there are other savings. Loan programs were held to this year's level or lower. There are no new planning or construction starts, and there are no new grants or increases

for existing grants. Funding for projects already underway are funded at this year's level or lower.

We have tried to address the concerns of the Members to the extent possible while staying below the budget ceilings. In the report we call attention to items requested by Members without earmarking or adding the funds.

To meet our outlay number, we deferred funding on the Wetlands Reserve Program, the Conservation Reserve Program, and we held the Market Promotion Program to \$75 million. These actions will save almost \$177 million in outlays.

For the WIC Program, we recommend \$2.86 billion, an increase of \$260 million. This is \$20 million more than the President's request.

We have an increase in the function 150 subdivision, which can be used for additional Public Law 480 funds to assist with the famine in sub-Saharan Africa.

We provide \$400 million for water and sewer grants, an increase of \$50 million over this year. We were able to do this because water and sewer grants outlay at only 2 percent the first year.

We provide for increased pay costs for the health and safety agencies, the Food and Drug Administration and the Food Safety and Inspection Service. We also provide pay costs for the Soil Conservation Service because almost every farm in the United States must have a conservation plan by 1995 under the law, and the SCS staff has been stretched to the limit.

We provide partial funding for the Rural Development Administration. We have funded the Washington office and the seven regional offices, but we have funded no field offices at this time. We have provided that the field staff remain a part of the Farmers Home Administration and continue to operate under the Memorandum of Agreement under which they are now operating.

Mr. Chairman, there are many essential programs in this bill, but I would like to take special note of the WIC Program. As we all know, this program provides nutrition assistance for pregnant women and their children under 6 who live on limited incomes and are at nutritional risk. Numerous independent studies confirm that the WIC Program's approach of providing both supplemental food packages and nutrition counseling produces one of the most cost-effective Federal programs. WIC has helped to reduce infant mortality rates, prevent mental retardation, and enhance the health of vulnerable women and children. There is a savings to taxpayers of \$3 in medical costs for every dollar spent on WIC. The increase provided in this bill, \$260 million, will permit the program to modestly expand next year.

WIC continues to be a top priority for our committee, as it is for so many

Members of the House. While recognizing that the budget is still tight, full funding should be our goal for the program. It provides essential assistance in a cost-effective manner, and for that reason has enjoyed bipartisan support.

Mr. Chairman, I believe it would be helpful to the Members if I took a moment to highlight the various accounts in the bill.

TITLE I—AGRICULTURAL PROGRAMS

Mr. Chairman, H.R. 5487 provides \$1.5 billion, a decrease of \$20 million below the fiscal year 1992 level and \$30 million below the budget request, for agricultural research and extension activities funded through the Agricultural Research Service, Cooperative State Research Service, Extension Service, and the National Agricultural Library.

To assure the availability of a variety of wholesome and healthful food at the lowest cost in the world, H.R. 5487 provides \$1 billion for the marketing and inspection services of the Department. This total includes \$431 million for the Animal and Plant Health Inspection Service to provide for the arrest and eradication of infectious diseases or pests of animals, poultry, and plants; \$490 million for the Food Safety and Inspection Service for the meat and poultry inspection program; and \$68 million for the Agricultural Marketing Service to allow for continuation of all marketing services. Other agencies included in this total are the Federal Grain Inspection Service, Packers and Stockyards Administration, and Agricultural Cooperative Service.

The bill provides \$9.2 billion for restoration of losses of the Commodity Credit Corporation, an increase of \$1.95 billion above the amount appropriated for fiscal year 1992 and the same as the budget request. Included in this amount are funds for restoration of fiscal years 1990 and 1991 losses resulting from the following programs: The sum of \$900 million for the Export Enhancement Program, \$200 million for the Market Promotion Program, \$300 million for the Federal Crop Insurance Program; \$446 million in connection with domestic donation of commodities; \$282 million in connection with export donations; and \$7.1 billion for all other losses.

The bill provides \$304 million for the Federal Crop Insurance Corporation for administrative and operating expenses and \$714 million for the Agricultural Stabilization and Conservation Service for salaries and expenses.

The bill provides \$142 million for the Economic Research Service, National Agricultural Statistics Service, and the World Agricultural Outlook Board for statistical and economic intelligence about the national and international agriculture conditions and outlook.

TITLE II—CONSERVATION PROGRAMS

H.R. 5487 provides \$2.7 billion for the traditional conservation programs

funded through the Soil Conservation Service and the Agricultural Stabilization and Conservation Service. Of this amount, \$862 million is for the Soil Conservation Service and \$1.8 billion is for the Agricultural Stabilization and Conservation Service.

TITLE III—FARMERS HOME AND RURAL DEVELOPMENT PROGRAMS

Mr. Chairman, H.R. 5487 provides \$2.6 billion in budget authority and \$6.7 billion in loan authorization authority for the Farmers Home Administration. The bill restores funds for housing programs at the 1992 loan levels. Increased funds are provided for rural water and waste disposal grants.

The bill provides \$287 million in budget authority and \$2 billion in loan authorization authority for the Rural Electrification Administration. The bill restores funding for the Rural Electrification and Telephone Loans Program account and \$844 million is included for the direct loan program.

H.R. 5487 provides a total of \$37 million for the Rural Development Administration. This funding level only supports the Washington office staff and the seven regional offices. It does not include funding for State or district offices.

TITLE IV—DOMESTIC FOOD PROGRAMS

Mr. Chairman, for the Child Nutrition Programs the bill provides \$6.7 billion. The amount is an increase of \$606 million above the fiscal year 1992 appropriation and \$194 million above the budget request.

The committee has always considered the Special Supplemental Food Program for Women, Infants, and Children [WIC] to be a high-priority program. In the last 10 years alone the committee has increased the program \$1.7 billion. When the committee was considering program funding levels of the Department for fiscal year 1993, WIC continued to be a high priority. The bill provides \$2.86 billion for the WIC Program. This is a \$260 million, or 10 percent, increase over fiscal year 1992 and a \$20 million increase over the President's budget.

Even though the benefits to participants of WIC are well documented, the committee concludes a provision that the Department work closely with States to better target participation to the most nutritionally at risk.

Mr. Chairman, the bill provides \$26.7 billion for the Food Stamp Program. Included in this amount is \$1.1 billion for the block grant for Nutrition Assistance to Puerto Rico, of which \$10.8 million for the cattle tick eradication project in Puerto Rico is to be transferred to the Animal and Plant Health Inspection Service.

TITLE V—FOREIGN ASSISTANCE AND RELATED PROGRAMS

Mr. Chairman, the bill provides an appropriation of \$110 million for the Foreign Agricultural Service and \$1.6 billion for the Public Law 480 Program.

TITLE VI—RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION

H.R. 5487 provides \$778 million for the Food and Drug Administration. This is an increase of \$18 million above the fiscal year 1992 level.

For the Commodity Futures Trading Commission, the bill provides \$47 million, the same as last year.

Mr. Chairman, this is a good bill and deserves the support of the House. It fosters economic growth and development in our rural communities, maintains vital producer programs, continues applied and basic research activities, and strengthens many of the consumer programs that promote public health and safety.

I urge my colleagues to support the bill.

□ 1150

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

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

Mr. Chairman, the consideration of this bill, I want to start by saying that it was a difficult session in which to consider this most important agricultural bill, because our chairman was temporarily indisposed. So we had to fill in and go through the hearing process. And I want to hand it to MATT MCHUGH, one of the greatest plaudits I can ever imagine giving anyone, because he stepped into the breach, filled a spot that was very difficult to take on and chair the subcommittee during the hearing process.

He did an outstanding job along with many others on the committee who filled in from time to time.

Mr. Chairman, I just want to say to the gentleman from New York, "MATT, we are going to miss you. You did an outstanding job."

We are delighted to have our chairman back and recuperating. Also I want to hand a little commendation to our friend, the gentleman from Kentucky, BILL NATCHER, who kind of led us all.

Mr. Chairman, it is these kind of folks who have had this kind of tenure in Congress that makes you think that this is a good place because you meet good people here, the best people that you will ever meet anywhere in the world, notwithstanding all the jabberwocky that goes on in the media, mostly undeserved.

These are really sterling individuals who know how to do their job and how to take on the responsibilities that they have to take on, and they do it well and with great gentleness and with great demeanor.

I just want them to know how we appreciate the fact that we have associated with them.

Mr. Chairman, we have come up with a good bill. Today we are placing before Congress our recommendation for funding for the fiscal year 1993 in the Agri-

cultural, Rural Development, Food and Drug Administration, and related agencies in this appropriation bill. This year's allocation cap placed a considerable constraint on our subcommittee's ability to adequately address the needs of our Nation's agricultural community. In making that statement, I want to say, you know, we do wonderful things in this country but we take a lot of things for granted. One thing we take for granted most of all is our agricultural economic sector of our total Nation's economy.

Two and a half percent of the people in this country produce food and fiber that keeps us in good stead, keeps us well fed, well clothed, and we take them for granted because it is so easy. It is a hard business to be in, but they make it so easy for all of us who are consumers. We take them for granted day after day, and that is why this bill is so important and, I think, deserves a great deal of attention.

So the bill includes funding for several mandatory items, mandatory programs on the domestic and discretionary side, and this bill comes in at \$12.3 billion in budget authority and \$11.84 billion in outlays. That is an awful lot of money.

But it is a great big program and a great part of our economy.

Mr. Chairman, to reach these levels—and I think Mr. MCHUGH stated it, but I want to iterate it once again for emphasis—to reach these levels, our committee had to make some real tough decisions, including holding salary and expense accounts to last year's level for all agencies except those involved in health and safety; holding the loan programs to last year's level or lower; and taking the position of approving no new grants, construction or planning starts and programs; absolutely holding a level freeze or spending level as tightly as you possibly can without committing to any new starts at all. That was tough to do because there are a lot of things that need attention, particularly in the areas of research, buildings for research, and things of that kind.

We would like to have granted funds for all of those, but it just was not possible this year under the constraints of the budget resolution.

Despite these constraints, our committee was able to address the important priorities of the Congress, including the need to provide a significant increase for the WIC Program, which Mr. MCHUGH mentioned earlier, which received a 10-percent funding increase, and a significant increase was also provided for the employees of the Food and Drug Administration.

While we are on that particular subject, I want to make mention: We asked the Food and Drug Administration, which is under the Subcommittee on Agriculture Appropriations' purview, to do so many things, and in-

crease their activities and their responsibilities and so forth. But we were not giving them any more money to do that.

I think justifiably this was an area that we should have increased the funding, and we did it and I think we did it in a manner that is going to be exemplary and is responsible fundingwise.

The bill overall is a good bill and a good start. I am confident we can work out our differences along the way, and I am sure there are going to be a lot of folks who are going to challenge the spending at every level but they are going to have a tough time with this one because I think we have come up with a bill that is responsible and represents a barebones approach to this particular activity and the particular responsibility of ours.

Mr. Chairman, today I ask my colleagues in the Congress to approve the bill and move this package along to its next step in the process. I would also like to thank, once again, our chairman, the Members, and our staff. Particularly I want to mention the staff of this: Bob Foster, Tim Sanders, Carol Novak, who do an outstanding job working with us.

I want to pay a little special tribute to the four members of the subcommittee who are retiring after this session: the gentleman from Michigan [Mr. TRAXLER], the gentleman from New York [Mr. MCHUGH], the gentleman from Minnesota [Mr. WEBER], and the gentleman from New York [Mr. MRAZEK]. We will miss them and miss them sorely. We wish you all Godspeed.

With that, Mr. Chairman, I am going to end my remarks and reserve the balance of my time.

□ 1200

Mr. MCHUGH. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Chairman, I wish to point out that this bill is well within the limits set by the budget agreement and the budget resolution. As a matter of fact, it is \$47 million less than the 602(b) subdivision, and I want to commend the distinguished chairman, the gentleman from Mississippi [Mr. WHITTEN]. I want to commend the gentleman from New York [Mr. MCHUGH] and the gentleman from New Mexico [Mr. SKEEN]. They have done a great job in meeting the limits in the budget resolution.

Mr. Chairman, I rise in support of H.R. 5487, the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations bill for fiscal year 1993. This is the fifth of the 13 annual appropriations bills for 1993 to be reported to the House.

This bill provides \$13.827 billion in total discretionary budget authority and \$13.420 billion in total discretionary outlays, which are \$47

million less than the 602(b) subdivision for budget authority and equal to the 602(b) subdivision for outlays, respectively, for this subcommittee.

I want to commend Chairman WHITTEN, the gentleman from New York [Mr. MCHUGH], and the ranking member of the subcommittee, the gentleman from New Mexico [Mr. SKEEN], for the work they have done in adhering to the limits set forth in the budget agreement and the 1993 budget resolution.

As chairman of the Budget Committee, I will continue to inform the House of the impact of all spending legislation. I have provided a "Dear Colleague" letter describing how each appropriation measure considered so far compared to the 602(b) subdivisions for that subcommittee. I will provide similar information about the remaining fiscal year 1993 appropriations bills.

I look forward to working with the Appropriations Committee in the future.

Factsheet

H.R. 5487, AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL, FISCAL YEAR 1993 (H. REPT. 102-617)

The House Appropriations Committee filed the report on H.R. 5487, the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Bill for 1993 on Thursday, June 25 1992. The full House is scheduled to consider this bill on Tuesday, June 30, 1992.

COMPARISON TO THE 602(b) SUBDIVISION

The bill provides \$13,827 million in total discretionary budget authority, \$47 million less than the Appropriations 602(b) subdivisions for this subcommittee. The estimated total discretionary outlays in the bill are equal to the subdivisions for this subcommittee. These totals include amounts in both the domestic and international categories.

COMPARISON TO DOMESTIC DISCRETIONARY SPENDING ALLOCATION

The bill provides \$12,263 million of domestic discretionary budget authority, \$37 million less than the Appropriations domestic subdivision for this subcommittee. The bill provides \$11,841 million of domestic discretionary outlays, which equals the domestic discretionary outlay subdivision for this subcommittee. A comparison of the bill to the domestic spending allocations for this subcommittee follows:

	[In millions of dollars]					
	Agriculture, Rural Development appropriations bill		Appropriations Committee 602(b) subdivision		Bill over(+)/under(-) committee 602(b) subdivision	
	BA	O	BA	O	BA	O
Discretionary	12,263	11,841	12,300	11,841	-37	
Mandatory ¹	41,123	32,370	41,123	32,370	32,370	
Total	43,386	44,221	53,423	44,221	-37	

BA = New budget authority.
O = Estimated outlays.
¹ Conforms to Budget Resolution estimates of existing law.

COMPARISON TO INTERNATIONAL DISCRETIONARY SPENDING ALLOCATION

The bill provides \$1,564 million of international discretionary budget authority for P.L. 480 Food for Peace programs, \$10 million less than the Appropriations international subdivision for this subcommittee. The bill provides outlays equal to the subdivision for international discretionary outlays.

	[In millions of dollars]					
	Agriculture, Rural Development appropriations bill		Appropriations Committee 602(b) subdivision		Bill over(+)/under(-) committee 602(b) subdivision	
	BA	O	BA	O	BA	O
Discretionary	1,564	1,579	1,574	1,579	-10	

BA = New budget authority.
O = Estimated outlays.

The House Appropriations Committee reported the Committee's subdivision of budget authority and outlays on June 11, 1992. These subdivisions are consistent with the allocation of spending responsibility to House committees contained in House Report 102-529, the conference report to accompany H. Con. Res. 287, the concurrent Resolution on the Budget for Fiscal Year 1993, as adopted by the Congress on May 21, 1992.

The following are the major program highlights for the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Bill for Fiscal Year 1993, as reported:

PROGRAM HIGHLIGHTS

	Budget authority	New outlays
Agriculture programs:		
Commodity Credit Corporation (mandatory)	9,200	
Market Promotion Program (MPP) limit	-62	522
Agricultural Research Service	695	622
Extension Service	418	293
Animal and Plant Health Inspection Service	441	366
Cooperative State Research Service	446	211
Federal Crop Insurance Corporation (mandatory in part)	590	315
Food Safety and Inspection Service	490	446
Agricultural Stabilization and Conservation Service	714	657
Conservation and rural development programs:		
Rural Electrification Administration:		
New loan subsidies	291	79
Administrative expenses	29	26
Farm operation and ownership loans:		
New loan subsidies	259	251
Administrative expenses	230	219
Rural Housing:		
New loan subsidies	705	331
Administrative expenses	427	380
Rental Assistance Program	320	7
Rural Development loans:		
New loan subsidies	117	6
Administrative expenses	59	52
Soil Conservation Service Conservation Operations	577	532
Watershed and Flood Prevention Operations	205	114
Conservation Reserve (mandatory)	1,579	1,567
Nutrition programs:		
Food Stamp Program (mandatory)	25,669	21,540
Child Nutrition Programs (mandatory)	6,675	5,478
Supplemental Feeding Programs (WIC)	2,860	2,688
Nutrition Assistance for Puerto Rico (mandatory)	1,051	1,047
Food donations for selected groups	257	209
Emergency Food Assistance Program	165	150
Other programs:		
P.L. 480, Food for Peace	1,493	1,134
Food and Drug Administration	778	640
Payment to the Farm Credit System (mandatory)	85	85
Commodity Futures Trading Commission	47	41

Mr. MCHUGH. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Kentucky [Mr. NATCHER].

Mr. NATCHER. Mr. Chairman, not too long ago two men were talking, and one said to the other that he could not think of the Secretary of Agriculture's name.

The second gentleman immediately said that he should not worry about that. The name that you ought to remember is JAMIE L. WHITTEN of Mississippi. He's been the best friend the American farmer has had in the last 50

years. That's the name that you ought to remember.

As my colleagues know, Mr. Chairman, the chairman of our Committee on Appropriations has been a little under the weather. When our chairman is under the weather, we circle the wagons and take care of our chairman.

As the gentleman from New Mexico [Mr. SKEEN] has pointed out, four of our Members on this subcommittee will leave us at the end of this year: The distinguished gentleman from New York [Mr. MCHUGH], who is now in charge of this bill, has been a member of our subcommittee since 1978; the gentleman from Michigan [Mr. TRAXLER], who is also chairman of the Subcommittee on VA, HUD and Independent Agencies, been a member of the committee since 1976, leaves us at the end of the year. The gentleman from Minnesota [Mr. WEBER], a member, not only of this Subcommittee, but the Subcommittee on Labor, Health and Human Services and Education, leaves us; and also the gentleman from New York [Mr. MRÁZEK]. All four are able Members of this House, and we are going to miss all of them.

Mr. Chairman, all down through the years, for a period of 38 years, I have served as a member of this Subcommittee on Appropriations sitting next to my chairman, the gentleman from Mississippi [Mr. WHITTEN]. I know that, as far as this bill is concerned, in research, soil conservation, REA, marketing service, extension and every agency, my chairman has always seen to it that they are not only properly funded, but properly protected.

I remember one time, a number of years ago, they called from the White House. They wanted several of us to come down to talk about TVA. At that time President Eisenhower was in the White House and he was one of the able Presidents of this country. They had sold him on a bill of goods, that TVA should be sold.

The President said that we were called down so he could talk with us about this idea of selling TVA.

My chairman, the gentleman from Mississippi [Mr. WHITTEN], was there, and also, in addition, we had Mr. Carl Vinson of Georgia, who had the all-time record in the House, 50 years and 4 months, until my chairman, Mr. WHITTEN, went ahead of him on January 6 of this year with 50 years and 5 months.

The spokesman, Mr. Chairman, for the group there was my chairman, the gentleman from Mississippi [Mr. WHITTEN] and Carl Vinson of Georgia. They, of course, were against such a proposal.

Mr. Vinson turned to my chairman, Mr. WHITTEN, and said, "JAMIE, you talk to the President."

The gentleman from Mississippi [Mr. WHITTEN] explained to him about TVA and what it had done for the people in the Southern States and all that sec-

tion of our country. Mr. Chairman, that President Eisenhower looked up, and he said that maybe he did not fully understand why such a proposal was submitted.

Mr. Chairman, we never heard any more about selling TVA. My chairman, the gentleman from Mississippi [Mr. WHITTEN] has believed and said all down through the years that, "If you take care of the soil and water in this country, and take care of the American farmer, you will continue to be able to produce our food and fiber."

Look what is happening in Russia today. They cannot produce enough food for their people. We do not have that trouble in this country. Agriculture is the largest industry in our country.

In addition, Mr. Chairman, I want to say a word about our friend, the gentleman from New Mexico [Mr. SKEEN], one of the able Members of this House. He and the gentleman from New York [Mr. MCHUGH] conducted the hearings in the main assisted by the gentleman from Illinois [Mr. DURBIN], and the gentleman from North Carolina [Mr. PRICE], and others from time to time. We present to our colleagues, Mr. Chairman, an excellent bill, and, on behalf of my chairman, the gentleman from Mississippi [Mr. WHITTEN], we recommend the bill.

Mr. Chairman, I keep a journal. I have 53 bound volumes. From time to time my chairman says to me, "How am I doing in your journal?"

Sometimes I kid him a little bit and say, "Mr. Chairman, not too well last week."

But I want every member in this committee to know that my chairman, the gentleman from Mississippi [Mr. WHITTEN], comes out well in my journal every week.

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. WEBER].

Mr. WEBER. Mr. Chairman, I rise today in strong support of H.R. 5487, the Agriculture, Rural Development, and Related Agencies appropriations bill for 1993. The bill recommended by the committee totals \$59 billion, Mr. Chairman, which is within the subcommittee's section 602B allocations. As we know, each of our appropriation subcommittees have been forced to deal with the needs of our Nation on a budget which has been drastically reduced. To his credit, the chairman of our subcommittee, JAMIE WHITTEN, has produced a bill which addresses the needs of rural America and also stays within tight budgetary constraints.

I also want to commend the ranking member of the subcommittee from New Mexico, JOE SKEEN. His dedication and support for the programs which directly affect rural America are second to none. I want to personally thank him for the time and effort that he put into this bill.

As I stated, Mr. Chairman, our committee was forced to deal with the needs of rural America through a budget that has been drastically reduced. Yet at the same time, we were obligated to provide substantial increases to the consumer food programs which now represent 63 percent of this bill. While we all support these programs, Mr. Chairman, I am afraid that those increases are coming at the expense of other agriculture programs which have a dramatic impact on rural America.

My fear, Mr. Chairman, is that the budget problems of the 1990's will shortchange the programs affecting production agriculture. In the Second Congressional District of Minnesota, agriculture is the backbone of our economy. This was dramatically pointed out in the mid 1980's when agriculture went through one of the worst depressions since the 1930's. While the rest of the country was enjoying stable economic growth, land valuations in my district were dropping up to 50 percent in 1 year. Hundreds of small businesses were forced to close their doors.

Almost 12 percent of this Nation's farmers, over 300,000, went broke and left the farm. In addition, many communities which heavily rely on agriculture are still trying to recover.

This bill, Mr. Chairman, was drafted in part with the experience of the 1980's in mind. The committee has directed resources to programs which assist farmers in becoming more efficient. In an effort to expand markets we have directed agriculture research to start concentrating more time and money on the development of new uses from traditional crops. And, the committee has funded rural development programs which will assist communities in diversifying their local economies. In an effort to assist a changing rural America, I think the committee has done an outstanding job of providing scarce resources to those programs.

Various members of the committee have pointed out the need for programs funded in this bill. I also want to take this opportunity to highlight a few programs that show the dedication of the committee in assisting rural America.

Mr. Chairman, the committee has provided over \$660 million for the Agriculture Research Service. ARS conducts basic and applied research in the fields of livestock, plant sciences, soil and water conservation, and agricultural engineering utilization and development. The research conducted by ARS is of vital importance to the future of agriculture.

The committee has also recognized the need to assist communities in retaining and attracting industry and jobs. I was glad to see that we were able to provide \$100 million for the business and industry loan guarantee program. Over 700 new jobs have been created in my district through the use of this economic development tool. The

program has leveraged private dollars into rural areas and has enabled local banks to provide financing and create more jobs. This type of success has taken place with relatively little cost to the taxpayer.

Mr. Chairman, this bill attacks drug abuse which is one of the most pressing issues facing rural and urban America. The committee provided over \$10 million for extension's youth at risk program. This is a substance abuse prevention program which features teen teams. Groups of teenagers are trained to conduct their own alcohol and drug abuse prevention programs in fifth and sixth grade classrooms. This is a good program, Mr. Chairman, and I am proud that our committee made this type of commitment to the youth of our Nation.

Finally, Mr. Chairman, the bill includes language which directs the Secretary of Agriculture to expeditiously grant disaster relief for farmers facing economic disaster due to tornadoes and storms which swept through southwestern Minnesota. I appreciate this committee's willingness to work with me on this issue and I want to thank the Secretary in advance for his consideration of this matter. It is my hope that the President will release the \$750 million in disaster relief as soon as possible.

Finally Mr. Chairman, this is a good bill for rural America, which means that it is a good bill for our Nation. I would encourage my colleagues in the House to vote for this bill.

Mr. MCHUGH. Mr. Chairman, I yield 5 minutes to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Chairman, I want first to say how much I have enjoyed working with the gentleman from Mississippi [Mr. WHITTEN] and the other members of this subcommittee over the years that I have been a member of the Committee on Appropriations. The leadership of the gentleman from Mississippi is exemplary in showing that government can be the solution to a problem.

In 1969, when I became a Member of this body, people were leaving the First Congressional District. Leaving the small towns and rural areas.

Since that time, in part because of the capital investments made possible through past Agriculture, rural development, and related agencies appropriations bills, more than \$200 million has been invested in housing, in water and wastewater programs, in industrial development grants and loans. As a result of these capital investments, we are now seeing new life in most of the small towns and rural areas of the First Congressional District. The out-migration has slowed. People are coming back home. We have jobs to offer them. They can work and live at home. Churches are constructed. Yes, government has extended a helping hand that has provided a solution.

Thus, we are beginning to see the revitalization of the heartland of America. New homes are being built.

By the way, these capital investments have occurred while the Congress was appropriating \$93.8 billion less than Presidents have requested during that period of time. Thus, Congress has been fiscally responsible.

One good example of how revitalization of the heartland has occurred is the action taken last year by this subcommittee designating \$800,000 for an industrial development grant for an impoverished, minority town in eastern Arkansas. Cotton Plant wants to build a catfish processing plant to provide jobs for its citizens. The catfish processing facility is planned; it is ready to go. It offers not only an outlet for farmers who produce fish, but also offers gainful employment to the people of Cotton Plant. The Arkansas Pride Fish Processing Plant is a success waiting to happen.

Mr. Chairman, I would like to ask the acting chairman of the subcommittee, the gentleman from New York [Mr. MCHUGH], a question. It is my understanding that the Office of Management and Budget has not given notice to the State Farmers Home Administration offices of the change in the law that was passed by the Congress last year which repeals the then \$500,000 ceiling on industrial development grants. Thus the Cotton Plant Catfish Processing Plant has encountered difficulty in gaining release of the \$800,000 from the Farmers Home Administration.

Would the gentleman from New York comment on the status of the repeal of the Farmers Home Administration ceiling and the outlook for deliberate action for rural development, and especially the Cotton Plant Catfish Processing Plant?

□ 1210

Mr. MCHUGH. Mr. Chairman, would the gentleman yield?

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

Mr. MCHUGH. Mr. Chairman, the gentleman is correct in his citing of the law. Last year in the appropriations bill, we did repeal that ceiling. So there is authority now to proceed beyond the ceiling.

As the gentleman has indicated and as we have put in our report this year, OMB has not given adequate notice or any notice, as far as we can tell, to the States. And, therefore, they are not proceeding.

But it is clearly the intent of the Congress, as expressed in last year's bill and again in our report this year, that that ceiling be disregarded and that the money be spent.

Mr. ALEXANDER. Mr. Chairman, so the gridlock that we are now seeing is a result of the Office of Management and Budget and not from the Congress.

The reason I bring this up is people back home in Arkansas do not understand why, when Congress passes a law and appropriates money, thereby directing the administration to take action on a priority matter, that no action is taken for over a year. It is difficult for people to understand why action is not being taken.

Is there a statement in the committee report that is being issued today which would tend to eliminate that problem?

Mr. MCHUGH. Mr. Chairman, if the gentleman will continue to yield, there is an expressed provision included in the report on page 103, which reads as follows:

The regulation limiting the size of these grants was repealed by the fiscal year 1992 Appropriations Act signed into law on October 28, 1991. To date, the Department has not issued the notice that this regulation has been repealed. The committee finds this bureaucratic foot-dragging inexcusable.

Mr. ALEXANDER. Mr. Chairman, I thank the gentleman for his reply.

I hope that this additional action reinforcing the commitment of Congress to the Cotton Plant fish processing plant will be sufficient to move the administration into action so that we can continue to revitalize the heartland of America. Capital investment is essential to economic growth. The Arkansas Pride Catfish Processing Plant at Cotton Plant is a good investment in the future of America. Let's stop wasting time.

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Indiana [Mr. MYERS].

Mr. MYERS of Indiana. Mr. Chairman, I thank my colleague for yielding time to me, and I rise to compliment the members of this committee as well as the staff for their very fine work in bringing this bill to the floor. It is not an easy task this year, as all of us on the Appropriations Committee have found. There has never been enough money, particularly this year, to fund the programs adequately. But this bill funds American agriculture, a basic industry in our Nation and one of the few basic industries left which touches everyone. We all eat.

But I am always concerned that so many people in this country do not realize the importance of agriculture. And they think that the dollars here in this bill all go to agriculture.

It has been revealed that almost two-thirds of this bill, goes for feeding programs and nutritional programs which take care of the needy and improve the nutrition of our society.

But of the total bill, \$36,900,000,000 goes for feeding programs, almost two-thirds. Of that, \$26,619,719,000 goes for food stamps—45 percent of this bill goes for food stamps. What a tremendous expense helping people.

Yet farmers may benefit somewhat. But the huge amount of this money

goes to someone else besides agriculture.

So I say today I certainly support this bill. I do compliment the committee for including language in the report requesting that the Secretary of Agriculture urge the President of the United States to release \$755 million that has been previously appropriated in last year's supplemental for disaster programs.

Last Saturday afternoon I spent the afternoon reviewing in Indiana, in my congressional district, damages to thousands of acres of crops from a freeze about 2 weeks ago in Indiana. On several acres, on several farms, corn was almost shoulder-high, lying flat on the ground.

These farmers were not making money before, but with these tremendous losses, they need assistance, if they are going to stay in the business. Many of them are young farmers and just do not have the reserves.

So I am pleased to see that the Secretary of Agriculture hopefully will talk to the President. I think there is going to be a tremendous need. The frost and freeze hit not only Indiana, it hit a number of districts in Illinois, a tremendous loss to farmers, a tremendous loss to our society.

I do compliment everyone who touched this bill. It is a good bill, and I hope we get full support for it.

Mr. MCHUGH. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. Mr. Chairman, I thank the gentleman for yielding time to me.

I support this bill, and I commend the staff and all the members of the subcommittee for what they have contributed to the development of this bill, although it is inadequate to meet the needs we face in 1993; but it is the most that we could do under the present budget situation.

We are talking here in this bill about the food industry, it is consumers of food, processors of food, the producers of food. We are talking about the most successful industry in the United States.

With some possible exceptions of pieces of the electronics industry, it has been the most successful in technology, transfer, not just in the last few years but agriculture has been in technology transfer ever since the Land-Grant Act.

The U.S. agriculture and food industry is the envy of the world because we are able to assure producers that they will at least get their cost of production if they do an efficient job and enjoy the right kind of weather, and at the same time provide cheap food for people who need it. And even cheap food for people who could pay more for food. Everyone in the United States benefits from the success of our food industry.

We are only spending \$11 billion to assure producers that there will be some reasonable protection in the production of this food. That is infinitesimal in comparison to the results that we receive.

Most other countries of the world spend, relatively speaking, a lot more than that to try to increase the production of food and are not successful in doing so.

In addition to that, we have allocated \$37 billion, more than 3 times as much, for programs to assure people in this country that they will receive food at a cut-rate price or free, if they need it. So we have been able to assure in this country that producers will continue with the incentive to produce food while at the same time assuring people who need cheap food or free food that they will receive it.

We have been able to do that for the smallest, relatively, price of anyplace in the world.

And then there is another function in here that should not be overlooked, and that is important today when most people live on food that they buy or trade food stamps for in the grocery store, they no longer can their food out of the garden. They no longer know the source of the food. And that is the part of the bill that deals with assuring us of not only safe but also wholesome food. Some people forget that we are not only interested in safety measured by microbiological methods but also in the wholesomeness of the food. We want protection against food being sold to us which may appear normal but was handled in a way that exposed it to filth or the kind of unwholesomeness that would have caused us to throw it away had we personally raised and processed it.

We do not want food that was handled in an unwholesome manner even if it is sterilized later and we don't need to have that kind of food in the food chain in this country. So that is an important part of this bill, too.

In addition to that, and it is for only a small amount of money compared to what the results are, \$2.7 billion in this bill is for the conservation and improvement of the land. This, of course, is for the benefit of our children and our grandchildren and our great grandchildren for years to come. We should not only leave this soil in as good a condition as we found it, but in better condition.

I think this is the best we could do with the amount of money we had available. I ask a favorable vote on this bill.

Mr. SKEEN. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Wyoming [Mr. THOMAS].

Mr. THOMAS of Wyoming. Mr. Chairman, I thank my ranking member for yielding time to me.

I rise to talk this morning about an area of vital concern to me, that of re-

search, cooperative extension, and land-grant programs.

□ 1220

In recent weeks it seems to me that Congress has had to deal with some difficult areas that are related to research, and some huge research and scientific areas such as the space program, NASA, super colliders, and others, programs that are easily stricken, easily attacked, and easily eliminated.

I have thought a lot about this general area, first with respect to agriculture. There is no doubt in my mind that the Cooperative Research Service through the years and the kinds of research that has gone on in land grant colleges has brought about the world's greatest advancement in food production and environmental conservation.

Mr. Speaker, much of the research, however, that has been done in this country in the past 50 years has been defense-related, and the spinoffs, of course, have been good for many other things, but we are moving out of that era. We are not going to have this cold war kind of defense going on, so the research that has been done there will have to be changed and we will have to move to an area such as this.

We need to make certain that this country maintains its technological leadership.

I think that the colleges that receive support in this bill are very important as part of that. We need to ensure, it seems to me, that over time this Congress does not allow the Government to become one that simply spends all of its time making transfers of income from one group to another; that indeed, we do invest in some new kinds of technology and new kinds of research, and I want to congratulate the committee for doing that in this bill.

I feel a little out of step here, in that all the Members have sort of had a reunion of committee members, but let me say that I appreciate the work that they have done. I know it is difficult.

Specifically, I want to thank the committee for considering and continuing to plan and study for an environmental simulator that is used to study the flow of water and fluids through the soil, so that we will have clean air and clean soil. I believe it is necessary for the Government to continue to invest and encourage this kind of research. I congratulate the committee on the work that they have done in this area.

Mr. MCHUGH. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from California [Mr. FAZIO].

Mr. FAZIO. Mr. Chairman, I rise in support of H.R. 5487, the fiscal year 1993 Agriculture, rural development, FDA, and related agencies appropriations bill. I commend Chairman WHITTEN, the floor manager, Congressman MATT MCHUGH, the members of the subcommittee and the subcommittee staff

for the hard work and long hours that went into crafting this bill.

On the whole, H.R. 5487 is an excellent bill that provides funding for many critical programs in the U.S. Department of Agriculture. This year has been very difficult for all the appropriations subcommittee's and the Agriculture Subcommittee was no different. Considering the shrinking budget and limited resources available to the subcommittee, H.R. 5487 is well-balanced and fair.

In particular, I want to highlight particular provisions of the bill which benefit agriculture in northern California. H.R. 5487 provides the final installment of Federal funding for the construction of the grape importation and clean stock facility at University of California-Davis. The grape importation facility will play a major part in the industry's effort to recover from the phylloxera problem. The new facility will enable California wineries to bring new stock in from Europe, ensure that it is clean and enable more rapid replacement of vines. However, the facility has broad implications for the entire domestic industry and will significantly increase the volume of stock that is brought into the country. The importance of this new facility is highlighted by the broad-based support it has enjoyed from throughout the country.

H.R. 5487 also provides \$207,000 to continue planning for the pest containment and quarantine facilities also associated with the University of California. This facility is badly needed to improve research into pests, such as the white fly and africanized bee, many of which have already taken a significant toll on agriculture. There is currently no similar facility in the United States. The new facility will take pest research to the next level.

Phase I of the project will construct an 18,000-square-foot laboratory at University of California-Riverside to accelerate research leading to the development of biological and other natural pest controls. Phase II of the project will construct a 39,000 square foot facility on the University of California-Davis campus to support research in environmentally compatible pest management strategies, parasitoids, bio-engineering, genetically altered organisms, and other crops, fruits, nuts, and vegetables.

This bill also gives the Soil Conservation Service authority to participate in a multiagency demonstration project which is currently exploring the potential for conjunctive uses of rice fields in northern California. The project will demonstrate the ability to use rice fields for winter water storage and migratory bird habitats. In addition, instead of the long-time practice of burning rice fields, the project will demonstrate more environmentally sound methods of breaking down rice straw

and mitigating rice parasites. The Bureau of Reclamation and the Fish and Wildlife Service would also participate.

H.R. 5487 also continues the Animal and Plant Health Inspection Service's [APHIS] participation in creating a pest-free zone in Mexico. The creation of a pest-free zone would have a direct impact on California's ability to combat infestations of the Mexican fruit fly. The Mexican fruit fly is the second most destructive pest of California fruits and vegetables. Continued APHIS participation is crucial to making the pest-free zone a reality.

Mr. Chairman, I want to discuss the bill's treatment of the Market Promotion Program. Unfortunately, the budgetary constraints imposed on the bill resulted in a severe reduction in funding for the Market Promotion Program [MPP]. The MPP was reduced from \$200 million to \$75 million. California agriculture has benefited tremendously from the assistance that the MPP has provided in promoting American agricultural products throughout the world.

American agricultural exports account for about \$40 billion in annual sales. Agriculture provides a positive balance of payments in the U.S. trade account of approximately \$17 billion. Future growth in U.S. agriculture will depend on export growth. Expansion of agricultural exports is critical for related sectors of the economy. Each U.S. dollar of agricultural exports generates an additional \$1.59 in economic growth. Every \$1 billion in agricultural exports maintains 27,000 jobs.

The deep reduction in MPP funding could seriously jeopardize the enormous gains in foreign market that have been achieved since the inception of MPP. I look forward to working with the committee as we go to conference to try restore MPP to a funding level that is needed to sustain American agricultural markets overseas.

Finally, Mr. Chairman, I want to congratulate the committee for their strong support of the Special Supplemental Food Program for Women, Infants, and Children [WIC]. This year, the committee increased WIC funding by \$260 million for a total of \$2.86 billion. WIC provides critical nutrition and health benefits to low-income pregnant women and young children. These benefits reduce infant mortality, avert low weight births, and help ensure that our Nation's needy children can learn in school and reach their full potential. And, WIC saves money. Each dollar invested in WIC's prenatal component saved between a \$1.77 and \$3.13 in Medicaid costs.

Overall, Mr. Chairman, H.R. 5487 is a strong bill for America. It continues support for our domestic agriculture industry while also providing its share of savings to apply toward deficit reduction. It is a fair and balanced bill, and I urge my colleagues to give it their support.

The CHAIRMAN. The Chair would advise that the time of the gentleman from New York [Mr. McHUGH] has been consumed, and the gentleman from New Mexico [Mr. SKEEN] has 17 minutes remaining.

Mr. SKEEN. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Missouri [Mr. COLEMAN].

Mr. COLEMAN of Missouri. Mr. Chairman, I support passage of this appropriations bill which funds the Department of Agriculture and related agencies for fiscal year 1993. I know that the Committee on Appropriations has had to make the kind of tough decisions necessary if we are to get the budget process under control.

I also want to commend the committee for recognizing the will of this Congress in funding the Rural Development Administration. However, I think it is important to emphasize that RDA is consistent with efforts now underway to streamline Department operations.

Indeed, RDA is not only consistent with those efforts, it represents a model of reform that other agencies would do well to emulate. RDA is a cooperative effort; working together, Congress and the administration have taken the most significant step in two decades to stabilize and rebuild the Nation's rural communities. With RDA, the Department for the first time will institutionalize rural development through one agency completely devoted to the economic needs of the Nation's rural communities. In RDA, we will have for the first time one agency responsible for Federal rural development policy and one agency with the ability to focus Federal programs to implement that policy.

RDA is a model for reform because it will not cost the taxpayers one additional dime. It represents fundamental reorganization of existing resources, not massive new programs and bureaucracy. It exemplifies the kind of approach to problem-solving that our current budget crisis demands form all levels of government, not just the Department of Agriculture.

Despite these facts, language in the committee report may unintentionally mislead Members concerning the reorganization of the Farmers Home Administration to create RDA. While the committee mentions the creation of seven regional offices, it fails to point out that when reorganization is complete, there will be 135 fewer offices within the RDA than are currently administering rural development programs within the FmHA. This net reduction of 135 offices was confirmed by Secretary of Agriculture Madigan when he appeared before the Committee on Agriculture last week to discuss reorganization of the department.

In funding RDA, the Committee on Appropriations has recognized the will of Congress that there be a focused

Federal rural development policy and one agency to implement that policy. The Committee on Agriculture continues to work with and support the Department as it undertakes the necessary reorganization to accomplish this objective through the Rural Development Administration. We must recognize that this decision is firm and there will be no turning back.

Mr. Chairman, in passing this appropriations bill the House will be doing much more than endorsing reform at USDA. It will be endorsing government by cooperation rather than confrontation and showing the American people that we can work together to make government work for them.

I urge my colleagues to support this appropriations bill which funds the Department of Agriculture.

□ 1230

Briefly, Mr. Chairman, I have a little colloquy I would like to enter into with the gentleman from New York [Mr. MCHUGH].

Mr. Chairman, I have been asked by the Farmers Home Administration to clarify a matter in this bill.

Is it not true that the funds necessary for the State or district office activities under the memorandum of understanding between the Farmers Home Administration and the Rural Development Administration have been provided to the Farmers Home Administration under this appropriations bill for that purpose?

Mr. MCHUGH. Mr. Chairman, if the gentleman will yield, the answer is yes.

Mr. COLEMAN of Missouri. I appreciate the gentleman's comments.

Mr. SKEEN. Mr. Chairman, I yield 3½ minutes to the distinguished gentleman from Texas [Mr. ARMEY].

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

I would like to take a moment to commend the Appropriations Subcommittee on both their discernment and their prompt action. They have correctly seen that the market promotion program of \$200 million will not stand up to scrutiny. The committee has understood that this program has generated considerable controversy and considerable embarrassment to America's agricultural policy. It is viewed by many as a corporate subsidy and has been criticized by GAO and not supported or substantiated by the Department of Agriculture.

Barring this committee's effort, I would have brought forward an amendment to kill the program outright. But the committee has seen fit to cut its funding from \$200 million to \$75 million.

Under the market promotion program the USDA has haphazardly doled out huge awards to industry associations, which in turn were used to generically advertised raw products

abroad, or in many cases to give grants to large corporations. It is corporate welfare of the worst kind. Some of the largest corporations in America have received money under this program.

To name just a few, McDonalds Corp. got \$465,000 to advertise Chicken McNuggets. Seagrams & Sons got \$146,000 to push whiskey in Europe. Campbell's Soup got \$450,000 to tell Latin Americans to have a V-8.

Sunkist received money, Pillsbury, Hudson's Bay Fur Sales, Ralston-Purina, Kal Kan Pet Foods, Gallo Winery, Dreyer's Grand Ice Cream, Ocean Spray Cranberries, Burger King, M&M Mars, and my favorite, Hershey's Chocolate, a company that never spent money advertising its product in the United States, somehow or other needs money to advertise its product abroad. Also Nabisco Foods, Quaker Oats, and even Paul Newman received funds from this program to promote his special brand of salad dressing.

Huge foreign corporations also received funds. Benetton of Italy, and Gunza, the biggest underwear manufacturer in Japan, for example, received funds under this program. Over 100 foreign firms received money under this program.

It is time that we end this kind of wasteful, ineffective, inefficient, and unnecessary use of the taxpayer's dollar. The committee I think has taken a tremendous step in pointing out that U.S. Government bureaucrats cannot identify foreign markets or make foreign products competitive in foreign markets.

Furthermore, the idea that these large, successful American corporations would not have enough good business sense to advertise their products abroad without seed money from the Federal Government is absurd. If in fact we funded marginal advertising, it is a waste of money. If we funded advertising that would have taken place anyway, it is a waste of money. I commend the committee.

Mr. SKEEN. Mr. Chairman, I yield 3 minutes to the gentleman from Nebraska [Mr. BEREUTER].

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

Mr. Chairman, first this Member would like to take the opportunity to thank the members of the House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies. The distinguished gentlemen from New York [Mr. MCHUGH], the gentleman from Mississippi [Mr. WHITTEN], and the distinguished gentleman from New Mexico [Mr. SKEEN], the ranking minority member have been longtime supporters of agriculture and rural projects that are very important to Nebraska.

Mr. Chairman, this Member formally here would recognize that the members

of the House Appropriations Committee and the House Appropriations Subcommittee have had to make difficult decisions regarding the funding of agricultural and food-nutrition-feeding programs, and vital research, and extension services to our Nation's land grant colleges.

Accordingly, I understand that no new grants, construction, programs or projects were funded. Nevertheless, I would like to express my gratification for the committee's general support and vote of confidence for "adequate support for the research pertinent to insect pests affecting grain sorghum and other crops in the Great Plains States" which is currently being performed at the University of Nebraska-Lincoln. This Member hopes and requests, that in the future, this important program will be funded at a level which adequately supports the significant research being carried on there.

Mr. Chairman, this Member also expresses his desire that three ongoing research projects at the University of Nebraska-Lincoln will continue to receive funds for ongoing studies and programs. Specifically, this Member asks that in conference, funding be granted for the food processing center, the rural policies institute and the sustainable agriculture systems research project. On issues ranging from food safety to sustainable agriculture, these projects are invaluable resources to the country's rural and agricultural communities.

Finally, Mr. Chairman, this Member would like to express his serious concern over the Committee's decision to fund the Market Promotion Program at \$75 million rather than the proposed \$200 million. While this member acknowledges that certain promotion efforts of the market promotion program need to be examined and perhaps reformed in certain areas, the overall importance of the program cannot be questioned. Especially at a time when the European Community stubbornly clings to exorbitant export subsidies for their agricultural products, this budget-driven decision to significantly cut our own marketing efforts abroad sends exactly the wrong message. This Member understands those cuts were primarily budget-driven and the Europeans should not misunderstand America's continued resolve not to surrender our export markets to them.

Mr. Chairman, the European Community continues to aggressively sell their agricultural surpluses throughout the world. Unless we adequately fund and support our marketing efforts of U.S. commodities, we stand the risk of losing important world markets to our competitors.

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Pennsylvania [Mr. GOODLING].

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

Mr. Chairman, I rise in support of H.R. 5487, a bill providing appropriations for Agriculture, rural development, Food and Drug Administration, and related agencies for fiscal year 1993.

As always, I want to commend and thank Chairman WHITTEN, the gentleman from New York [Mr. MCHUGH], and the Agriculture Subcommittee's ranking minority member, the gentleman from New Mexico [Mr. SKEEN] for their steadfast support of our Federal nutrition programs for our Nation's children and elderly.

In particular, I was very pleased to learn that the bill recommends current law level funding for the child nutrition account's school-based feeding programs, for the Child and Adult Care Food Program, and for the Commodity Procurement Program.

I did note that while the committee did not find it possible to separately fund the preparation of the training packages and menu planning guides needed to implement the dietary guidelines, the bill's report does advise the Secretary of Agriculture that he may use "any funds not needed for studies and surveys to continue other high priorities within the child nutrition programs with prior notification to the Committee." I would appreciate having the committee inform me at a latter date whether the Secretary has requested the use of study/survey funds to move forward on the implementation of the dietary guidelines.

I think that every Member is well aware that the committee has always considered funding for the Special Supplemental Food Program for Women, Infants, and Children [WIC] "to be of its highest priority." This certainly has again been demonstrated in this bill, which recommends a \$260 million, or 10 percent, increase over the current fiscal year's funding level. I was saddened to see funding for the extension and soil conservation programs cut, while increasing funds for the Commodity Credit Corporation.

So in closing, Mr. Chairman, I would again like to extend my thanks to the committee for reiterating its strong support for our nutrition programs.

□ 1240

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Pennsylvania [Mr. MCDADE].

Mr. MCDADE. Mr. Chairman, I rise in support of the Agriculture, Rural Development, Food and Drug Administration and related agencies appropriation bill for fiscal year 1993.

Mr. Chairman, I want to begin by paying my compliments to the distinguished chairman of the subcommittee, the gentleman from Mississippi [Mr.

WHITTEN], to his close friend, the gentleman from New York [Mr. MCHUGH], who is making his last trip through and will surely be missed by all the members of the committee, and we wish him well as he goes on to other things in life. I especially want to thank the ranking Republican, the gentleman from New Mexico [Mr. SKEEN], who has done a superb job with the other members of the subcommittee and the staff in bringing us a bill that falls within the 602 limits of domestic discretionary for \$12.3 billion in new budget authority and outlays of \$11.8 billion.

The bill recommended by the committee totals \$59 billion in new budget authority. I say with conviction that the members of the subcommittee, in my opinion, have performed a new miracle to make everything fit within the limits, and as usual, under very restrictive budgetary requirements given the level of interest that Members have in this bill.

The mandatory spending accounts, such as food stamps and CCC income support payments, in the bill, which are essentially beyond control or spending discipline of the committee, amount to 63 percent of the total or \$39.9 billion, a \$3.4 billion increase above fiscal year 1992. The bill is actually less than a hard freeze spending level below fiscal year 1992 for domestic discretionary programs. I offer my commendation to my colleagues for achieving this result. And is also essentially the same as the budget resolution, and is \$1.4 billion below the President's budget request.

Once again, the subcommittee members have allocated an increase for the WIC Program, raising it by \$260 million to a total of \$2.86 billion. They have maintained the Farmers Home Administration low-income rural housing programs at last year's levels, and have provided \$329.5 million in section 502 moderate-income loan guarantees, which is enough to maintain program participation across the Nation. They have also assured vital operations for the Food Safety and Inspection Service will be continued by providing a much needed \$14.7 million increase, and they have continued to expand the financial resources for the Soil Conservation Service to meet their ever increasing responsibilities. With a small increase of \$12 million more than fiscal year 1992. We should especially commend our colleagues on the Agriculture Subcommittee for their successful efforts in finding sufficient resources within such extremely restrictive budget constraints to increase funds for the Food and Drug Administration by \$18.173 million.

The fiscal year 1993 bill for agriculture and rural development programs is a fair, reasonable, and equitable approach. It shares the burden equally for some popular program re-

ductions such as new ARS and CSRS project requests in a balanced manner. This bill does a good job of setting our priorities for the agriculture and food assistance programs in a fiscally responsible way, and deserves our support.

Salary and expense accounts were held to last years level or lower except for increased pay lost for the health and safety agencies. Loan programs were held to last years level or lower. No new grants, construction or planning starts, and programs or projects were funded.

The Wetland Reserve and Conservation Reserve Program sign up were deferred for fiscal year 1993. The market promotion program was reduced to \$75 million rather than the \$200 million requested in the budget. The administration has expressed several serious concerns about these provisions in the bill, however they do not oppose the bill. Mr. Chairman, I believe the bill deserves the support of the House and I recommend a yes vote.

I urge the passage of this bill.

Mr. SKEEN. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. UPTON].

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

Mr. Chairman, I am pleased to rise to commend the Agriculture appropriations subcommittee as well as the full committee for recognizing the importance of finding alternative sources of taxol. Taxol has shown great promise in curing many types of cancer, including breast and ovarian cancer.

Almost everyone is aware that taxol, the most important anti-cancer drug in years, is derived from the Pacific yew tree. This has caused great concern between the environmental community concerned about the harvesting of ancient forests, and the health community which is experiencing difficulty in obtaining enough taxol.

However, very few people are aware that a relative to the Pacific yew tree, the ornamental yew bush, is also a source of taxol. In fact, a historic cooperative agreement between the Cooperative State Research Service, the University of Mississippi, Ohio State University, and a consortium of commercial nurseries that grow ornamental yews is now providing the National Cancer Institute with the first taxol in usable amounts from any source other than the yew tree.

The ornamental yew bush is the only alternative that has made it out of the laboratory at this point. The best point about this potential source is that it is a renewable agricultural resource.

In this bill, the committee directs the Department of Agriculture to expand its research into a promising source of taxol, ornamental yew bushes. I commend the committee for its recognition of the importance of

this research to cancer patients hoping for a cure, environmentalists, and agriculture.

I am also pleased that the committee has directed the Agricultural Marketing Service to continue its wholesale market study in Benton Harbor, MI. AMS has completed elements of a study that recommends the establishment of a modern nonprofit fruit and vegetable marketing facility in southwestern Michigan.

Initial findings of the study show that a modern marketing facility for the more than 1,000 fruit and vegetable growers of southwestern Michigan is important to maintain the competitiveness of this industry so important to my area of Michigan. I am pleased that the committee has recognized that there are still necessary elements of the study to be completed.

Finally, I must say that I am disappointed that the committee has reduced funding for the Market Promotion Program. I agree with Secretary Madigan's statement that such funding cuts will seriously jeopardize the ability of U.S. agriculture to compete in high value exports. In Michigan we have seen how this program has had concrete results in opening apples markets in England and cherry markets in Japan. My experience is that this program does work as intended. My grape farmers of southwestern Michigan have also directly benefited from the name brand promotion of grape juice products overseas. I feel that this important export enhancing program should be supported.

Mr. SKEEN. Mr. Chairman, I yield the remainder of my time to the gentleman from Oklahoma [Mr. ENGLISH].

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

Mr. ENGLISH. I am happy to yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I asked the gentleman to yield as the principal author and sponsor of the Rural Development Administration.

There has been a good deal of confusion that is occurring at the State level among Farmers Home Administration projects that may be transferred to the Rural Development Administration. Is it correct that the Rural Development Administration, in effect, went into business in the spring of this year about April 1?

Mr. ENGLISH. Let me say that the gentleman from Missouri [Mr. COLEMAN] is also one of the principal authors, and, indeed, the gentleman is correct.

Mr. ALEXANDER. And that all Farmers Home Administration projects that were pending at the State level prior to April 1, of this year will not be affected by any change of administration, by any change of the law, by any change of the regulations? Is that correct?

Mr. ENGLISH. The same rules and regulations apply, and the same people. The gentleman is correct. There was no change at that time.

Mr. ALEXANDER. But is it correct that if a Farmers Home Administration project is pending with the Farmers Home Administration prior to April 1, of this year that no change in the law would affect that application?

Mr. ENGLISH. The gentleman is correct, and let me also further state that none certainly is intended, and that project should be treated in the same manner as if RDA was not created.

Mr. ALEXANDER. So the Farmers Home Administration can continue administering projects pending before Farmers Home before April 1, of this year without any change in the regulations, without any concern for the establishment of the Rural Development Administration or rules and regulations that might be promulgated by the new administration?

Mr. ENGLISH. Any project in which an application was pending before the Farmers Home Administration before the creation this year of the RDA, that project then being transferred to RDA, there should be no impact.

Mr. ALEXANDER. I want to make certain that I am clear, if I am a Farmers Home administrator in Arkansas and there is a project pending before my administration before April 1, of this year that might be subject to transfer to Rural Development Administration, that I can go ahead and administer that project according to the rules and regulations of the Farmers Home Administration without regard to the Rural Development Administration, without the new set of regulations, without the new set of people administering the project. Is that correct?

Mr. ENGLISH. If the gentleman is asking me will the Farmers Home Administration continue to administer and to process an application that would normally go before the Rural Development Administration, no; the gentleman is incorrect. That would be transferred to the Rural Development Administration, but as far as the processing, the rules, the regulations and, in most cases, the people that are going to be working that project will all be one and the same.

Mr. ALEXANDER. I thank the gentleman.

Mr. TRAXLER. Mr. Chairman, I rise in complete support of H.R. 5487, the fiscal 1993 appropriations bill for rural development and agriculture. It is a very restrictive bill that funds only the most meritorious projects, and does so only after exhaustive hearings before our subcommittee.

As I come before this body for the last agricultural appropriations bill during my tenure, I want to take a moment to personally and most sincerely thank my colleagues on the subcommittee during the past 16 years for their support, their assistance, and their continuing

education of this member regarding the specifics of the many programs operated by the Department of Agriculture. We work together in a truly cooperative, bipartisan fashion in the best sense of that phrase. It has been a privilege and an honor to serve with each of these individuals, and I wish them the very best.

I cannot say enough positive things about our most distinguished chairman, Mr. WHITTEN of Mississippi. He is truly the permanent Secretary of Agriculture. His perseverance over the years has made an immeasurable mark on our Nation's treatment of farmers and their needs. Someday someone might serve here for a longer period of time, but no one will ever serve any better.

Mr. SKEEN, our ranking minority member, serves in the excellent tradition created by our former colleagues Mark Andrews of North Dakota, and Virginia Smith of Nebraska. He is an excellent representative of his side of the aisle, and he constantly makes significant contributions to our proceedings.

Mr. MCHUGH deserves extra honors for his work this year. He has served very ably as the acting chairman during Mr. WHITTEN's absence, and when I was unable to take over as the ranking member due to my responsibilities of the chairman of the VA-HUD-Independent Agencies Subcommittee. Mr. MCHUGH will be missed. His knowledge, his genuine concern for the many people served by the feeding programs of USDA, as well as his genuine concern for the farm programs of our Nation will be a loss that this institution will have difficulty in replacing.

Mr. WEBER has been a most important member of our subcommittee. We have worked together on a number of projects, and I will miss him greatly.

I have great respect for every member of this subcommittee—Mr. NATCHER, Mr. DURBIN, Mr. SMITH of Iowa, Ms. KAPTUR, Mr. PRICE, Mr. MRAZEK, Mr. MYERS, and Mrs. VUCANOVICH. They will stay to carry on work that I expect to be even more difficult in the next few years. They have my very best wishes.

Mr. Chairman, I also must call attention to the excellent work provided through the years by the staff of this subcommittee. Bob Foster has served as the staff director of the subcommittee during my entire membership. He is a most valuable asset to the subcommittee and to the House. His assistance to members, his discretion, and his capabilities are to be admired. Tim Sanders has served for several years now as the chief person for a number of agencies under our jurisdiction, and his assistance has been equally valuable to me. Carol Novak, while only a relatively new member of the staff, is a most capable and intelligent individual who has handled many sensitive matters in a caring and expert fashion. Toni Savia has been a member of the staff during my entire tenure as well, and her work keeps all of us members well prepared and ready for our tasks. We have also been served ably over my time by Mr. Hank Moore, who now serves in a different capacity for the full Appropriations Committee, and Mr. Chip Hardin, who is in private industry at this time. To each of these valued people, I offer my strong and sincere thanks for the support that has made my membership on the subcommittee both more productive and enjoyable.

Mr. Chairman, this is a very tight bill. It is below the President's request. It provides precious few increases, except for mandatory and the most vital of discretionary programs. It is absolutely the tightest bill during my time here, and I hope our colleagues will appreciate this point.

Research programs, I am sorry to say, are frozen at last year's levels. There is not a single new program. There is not a single increase. Total funding is below that provided in fiscal 1992. Research is what takes us to our future, and what creates our future. Our budget situation is in effect putting our future on hold. I do not like it, but I realize that absent additional resources we have no other choice. Our no increases and no new starts policy treats everyone the same. We do call attention to a number of specific items within the committee's report so that the Department can bring greater resources to bear on each of these matters.

Efforts will be made to eliminate the special research grants program of the Cooperative State Research Service. That would be a vital mistake. Each of these grants has been the subject of hearings within our subcommittee. They are reviewed each and every year. It is probably easier to find out information about matters being reviewed by the Appropriations Committee than those reviewed by any other committee. Our hearings are indexed, and most importantly, they are published in full before the bill comes to the floor. No other committee to my knowledge can match that record.

Some argue that the grants are not competitively awarded. That depends upon how one defines competition. If competition begins when an idea is developed, then they are competitively awarded. If one defines competition as some grants are funded while others are not, then these are competitively awarded because each year we do not fund literally hundreds of requests. The grant proposals are reviewed by the scientists at the research institutions and are approved by the personnel of the Cooperative State Research Service before a single penny goes out. Some of our colleagues give the impression that there is no check whatsoever on these grants, when nothing could be further from the truth. It is true that many of these proposals are brought forward by producer groups. But what is wrong with that? Producers know their needs. They often have funded research programs of their own through checkoffs on their own production. They seek the Federal dollars often as a supplement to what is already underway. That is research in the best spirit of cooperation.

I can tell you that this methodology was followed with every single research grant going to Michigan. Each of them was the subject of our hearings before they were funded. Each of them was carefully reviewed by teams of scientists at Michigan State University. Each of them had to be approved by CSRS personnel before any money went out. There were checks on the system, and the research work being conducted is without question outstanding.

We have retained funding for all of the Michigan projects at last year's levels. Our work on animal waste disposal, apple quality, asparagus yield decline, bean and beet re-

search, celery fusarium, Michigan Biotechnology Institute, stone fruit decline, and wood utilization research are available for anyone to review, and the researchers will be happy to discuss these projects with you.

We also provided the final \$5,356,000 for construction of the National Food Toxicology Center at Michigan State University. I can think of no other agricultural research project of greater significance than this one. If people want to be assured of the safety and quality of our food supply, then we must have a research facility devoted to this work. For anyone to claim otherwise just doesn't understand one of the most significant needs we have. In fact, let me also point out that with the funding for the Agricultural Research Service's work in food toxicology, our report provides that these funds can be used for the development of onfarm diagnostic testing kits which are designed to determine pesticide residues. Farmers want to find ways to become better managers and to provide their consumers with greater assurances. This kind of research moves toward this goal.

Within funding for the Agricultural Research Service, we do maintain \$900,000 for the Consortium of International Earth Sciences Information Network [CIESIN]. We also encourage the Department to include support from other USDA agencies, including the Cooperative State Research Service, the Extension Service, the National Agricultural Library, the Office of Information Resources Management, and the Soil Conservation Service.

Our funding for the Extension Service is also frozen at fiscal 1992 levels. I regret this situation, but believe it is the best that can be done under the circumstances. Extension programs are technology transfer—it is how we get research findings into the field and to the benefit our consumers. Extension people have often been criticized unfairly for the programs they run. They don't deserve criticism. They deserve thanks and admiration. Despite increasing demands, frozen funds, and the fact that people don't often enough say thank you for a job well done, they have continued to do their work. I want to offer my thanks to these people, and say that I will continue to do what I can to support meaningful increases for extension programs.

We have provided a modest increase in funds for conservation operations of the Soil Conservation Service, one of the very few increases within this bill. I am pleased that we were able to provide enough funds so that we can maintain an adequate number of personnel to deal with the conservation plan requirements imposed on farmers as a precondition for price support eligibility. These are hard-working individuals who will be even busier in the days to come, so they needed this increase as a priority.

I am happy that we were able to maintain funding for the subirrigation project. It is extremely worthwhile, and is approaching completion. To the extent that people are concerned about sustainable agriculture and renewable resources, they should appreciate the fact that this project is designed to reduce water contamination, increase the efficiency of the use of this resource, and safeguard adequate water supplies for producers and consumers alike.

This bill also provides funding for the many feeding programs of the Department of Agriculture. I have been an active supporter of these programs during my time here. I regret that we need these programs. They are both a testimony to the failure of our Nation to help Americans get adequate training and find reasonable jobs, while also being testimony to the fact that we need to have a sensitivity to those people who are not as fortunate as we might be ourselves. I regret that we need assistance programs, but I am thankful that we have them.

We have provided a very modest 5-percent increase in the Commodity Supplement Food Program. This \$4.5 million will be well spent in trying to provide small increases in the case-loads of existing program operators, and hopefully will provide some room for some new program operators as well. The provision of commodities by this program to mothers, infants, children, and the elderly is vital, and it has been a long, hard road to get as far as we have.

We have spent years, it seems, fighting to get recognition for a very small feeding program. We have faced budget proposals that eliminated the program, or reduced the program, or just eliminated funding for the elderly, or proposed to phase out the elderly. We spent time trying to save a program when we should have been able to spend time trying to expand it. Some who opposed the program did so because they thought it was duplicative of other assistance. They made it sound as if someone was getting too much food when they barely had enough to get from 1 month to the next. Others opposed it because they thought that support for the elderly would weaken support for mothers, infants, and children. They made it seem as if we had a choice of which group should be supported, rather than fighting to find ways to support all those in need. We have had administrations of both parties who didn't do enough in the eyes of some, including me, but nonetheless should be thanked for what they did do. Solving a portion of the problem is better than solving none of it. We seem to have had some kind words for CSFP from Secretary Madigan at this year's hearings that help me leave here a bit more hopeful that the program has a few more friends than it did not long ago.

Throughout all of this, the wonderful people at Focus: HOPE in Detroit, MI, have continued to fight for the program. They have brought in others from around the country to help in the battle, and help they do need. Father William Cunningham and Mrs. Eleanor Josaitis are two individuals who can be proud of their work, and who can know that they made a difference in the lives of perhaps more than a million people over the years through their efforts on behalf of this feeding program and other causes with which they have been involved. These two people are the kind of individuals who help me and should help all of us retain a proper focus on the responsibilities of our work here—on the need to sometimes do the unconventional because the everyday just doesn't work anymore—on the need to remember that our job is to leave the world at least a slightly better place than we found it. For their vision, effort, and courage, I thank them. For their kindness in trying to help es-

establish similar programs within my own congressional district, I particularly thank them.

Now the Department wants to provide more flexibility in the assignment of program case-loads so that those in need, regardless of age grouping, can be served. I am hopeful that this change will successful come forward, and I am happy that our report cautions the Department to undertake this change only in a way that does not disrupt the program.

But I do want my friends at the Department to know that even though other feeding programs are larger, serve more people, and may be more complex, the people served by CSFP are just as important as the people served by the myriad other programs. For that reason, it is no less important to devote time and resources to CSFP than it is to programs as large as WIC and Food Stamps. I offer this same caution to the advocates of hunger programs. Remember that the goal is to feed the hungry, and that there are several different ways to deal with a common problem. Do not close your eyes to any of these solutions.

Within the Foreign Agricultural Service, the market promotion program has come under a great attack. We reduced funding for this program from \$200 to \$75 million—a 62.5-percent reduction. Some argue that big corporations and foreign interests are benefiting from this program. Their claims seemed to be validated by the fact that the defense of MPP by USDA has been rather slow in coming. Check our hearing record for yourselves. At no point did anyone from USDA say "we know we had a problem. We have taken steps to correct it. We believe we have a solution. Leave the program alone. It provides returns far greater than its expense." Some of these arguments were made separately, but never together. The best argument came in a letter from Secretary Madigan the day of our full committee markup on this bill—nearly 2 weeks after we completed subcommittee markup. Defense of the program has been coming in from its users, but this defense needs to be even stronger if we are yet to see restorations to last year's levels in the program. Beneficiaries of Government programs need to learn to be more aggressive about saying "We like the program. It is doing a good job. Please maintain it." It is far easier for someone to complain about a program, or to believe that funding will continue so that the only time communication is necessary is when an increase is requested.

Today, proposals will be made to further restrict this program. I believe that these restrictions are not wise. While there are some who believe that if a corporation is involved in a program, it is automatically bad for Government funds to be used, I am not of that opinion. When trying to penetrate a new market, a good marketer will use any tool at his or her disposal. If that means that we can sell more American chickens by trading on the good name of McDonald's, then if we are concerned about our farmers and what their standard of living might be, then we do preclude them from having the option of trading on a major brand name that may have market access not available to a commodity group. Would McDonalds or any other of the companies criticized in this program spend their own resources developing a market? Perhaps.

Maybe even probably. But there is no guarantee that they would use American commodities in their processed goods if it wasn't for the incentive provided by the market promotion program. Have there been abuses? Possibly. Has action been taken to stop them? USDA says yes. Have we given their solutions a fair chance? No. Have detailed hearings been held in the House on this matter? Not sufficient hearings to justify the kind of amendments before us today.

It is amazing to me that we tell farmers that we want them to depend on foreign markets, but then every time we find a good foreign market program they can use, efforts are made to kill that new program. How can we sell in foreign markets if we do not promote what we have for sale? Please vote "no" on these amendments.

Of course, there are several ways to achieve the purpose of promoting our goods. The Michigan dry bean industry has presented me with a proposal to try a modified market development program in which they bring foreign buyers to our shores, rather than depending on promotional trips to theirs. Our report calls on the Department to give this proposal careful consideration within their available funds. I am hopeful this will be done.

Mr. Chairman, it has been a privilege to be a member of this subcommittee. The work has been of great importance, and the accomplishments have been most fulfilling. I know this is a bill that all of our colleagues can support, and I encourage them to vote "yes" on final passage.

Mr. DOOLEY. Mr. Chairman, I rise to express my strong support for the Market Promotion Program [MPP] and for my concern regarding the large cut in the program contained in this bill. This very important export promotion program has been cut by the committee by more than 50 percent to \$75 million for fiscal year 1993. This drastic cut will make it more difficult for American agricultural producers to compete in the world market. This cut will serve no purpose beyond assisting our foreign competitors in seizing existing and emerging markets for high-value agricultural commodities from U.S. producers.

While the administration continues trade negotiations through the GATT and the proposed North American Free-Trade Agreement [NAFTA], it has become clear that the future of business in America is incumbent upon increasing foreign market access. The greatest benefit that we can hope to gain from any trade negotiation is the breaking down of barriers to foreign markets.

The MPP is designed to provide assistance to U.S. agricultural commodity groups to promote their products or products containing their commodity overseas. USDA estimates that each dollar of MPP money results in an increase in agricultural product exports of between \$2 and \$7. The USDA also estimates that the MPP creates up to 38,000 jobs.

Let me give you a real-life example of the positive results from the MPP. In a recent letter, the California Table Grape Commission provided me with information regarding their experience with the MPP and the Targeted Export Assistance [TEA] Act. During the 6 years that they have participated in the program: Offshore exports have grown 208 per-

cent, from 2.5 million boxes to nearly 8 million boxes of grapes; export value has increased 233 percent, from \$28 million to \$93 million; and the industry has established a new record for grape exports each year of its participation in TEA and MPP, despite fluctuations in crop size, grape quality, market conditions, price, and other factors.

Clearly, the funds awarded to the Table Grape Commission have been successfully used to expand markets. And this is just one example. Countless other organizations report equally positive results from the MPP.

Another criticism that I have heard is that money is awarded to big corporations that don't need Federal assistance because they have other resources available to them. Mr. Chairman, as you know, funding is awarded to commodity groups or cooperatives and not to corporations. While many commodity groups work with large corporations, the goal of the program, to promote U.S. agricultural commodities, is being met. Even more importantly, the American farmers who grow the commodities have benefited. To use the California Table Grape Commission as an example again, the commission represents 850 fresh table-grape farmers. The average size of their farms is 97 acres. I'm sure that no one would disagree that the MPP program has benefited each of these small growers just as the program was intended.

Yet another criticism is that the funding should not be used to promote brand name products. There are two very important reasons that the MPP should continue to include branded advertising. First, as the committee report indicates, the future of agricultural trade is in high-value products. Generally, high-value products are sold under a brand name. A second concern is that the promotion paid for with Federal money should increase sales of American products. However, if we only allow promotion of oranges, there is no guarantee that consumers in Japan or Korea will purchase American oranges. Only with an identified brand can we guarantee the purchase of American products.

Mr. Chairman, it would be a mistake to allow the vocal critics of the MPP to eliminate or greatly diminish the usefulness of the program based on a few newspaper articles or isolated cases of poor judgment. I hope the House will continue to support the MPP and not dismantle one of the most successful programs that we have to deal with an increasingly competitive world market.

Mr. RAHALL. Mr. Chairman, I rise today in support of H.R. 5487, the fiscal year 1993 appropriation bill for rural development, Agriculture, and related agencies. Within the bill's total of \$59 billion there is necessary funding for many programs which are extremely important to my State of West Virginia. However, I am pleased that though this represents a total of \$6.5 billion more than the fiscal year 1992 appropriation, it is \$1.4 billion less than the amount requested by the President.

As you may know, I am very concerned about the ability of small towns and communities to afford wastewater treatment facilities and public drinking water systems. I am pleased that the committee has again chosen to fund the Farmers Home Administration [FmHA] water and waste facility loan and

grant program. This measure provides \$635 million in direct and guaranteed loans to help fund construction of water and sewer systems in rural communities. This is the same as in fiscal year 1992 and \$35 million more than the amount requested by the administration, which proposed no guaranteed loan funding. The bill also appropriates \$400 million for rural water and sewer system grants—14 percent more than in the current fiscal year and 33 percent more than the President's request. Grants are so important to communities in my state which can barely repay the interest on a loan, let alone the principal.

Housing is also a prominent concern in rural districts like my own. The Appropriations Committee's recommendation provides total fiscal year 1993 loan authorizations of \$2.4 billion for FmHA rural housing programs. Although this appropriation is 5 percent less than in the current fiscal year, it is \$634 million more than the amount requested by the administration.

Other funding of note to West Virginia is the \$418 million for extension services. While this amount is below that of the current fiscal year, it is \$600,000 more than the President's request. This appropriation will fund programs that are of vital interest to our land grant colleges and universities.

The Soil Conservation Service watershed and flood prevention operations are also at a level higher than the President requested. The measure provides a slight funding increase over fiscal year 1992 levels for the Soil Conservation Service [SCS] conservation operation, in order to permit the SCS to continue current activities.

Another agency of considerable significance to rural America is the Rural Electrification Administration. REA assists rural electric and telephone organizations in securing requisite funding for the delivery of electric and telephone service to nonurban areas. The fiscal year 1993 Agriculture appropriation sets aside \$2 billion for REA lending authority. This is \$264 million more than the administration requested, but \$245 million less than the current fiscal year. The measure also provides for guaranteed loans to rural electric systems totaling between \$813.5 million and \$2 billion, and guaranteed loans to rural telephone system totaling between \$120 million and \$139 million.

In addition to housing and development programs, food programs are extremely important to my district. This bill provides for a total of \$26.7 billion of the Food Stamp Program in fiscal year 1993. This is \$3.4 billion more than the current year's appropriation.

Also, a program which I feel strongly about, the Special Supplemental Food Program for Women, Infants, and Children [WIC] is provided \$2.9 billion in fiscal year 1993, \$20 million more than was requested by the administration. Furthermore, the committee urges USDA, in consultation with the Centers for Disease Control, to include education efforts regarding child immunization among the services provided to participants in WIC and other nutritional programs.

The Emergency Food Assistance Program [TEFAP] is funded at the same amounts as the current fiscal year to purchase commodities and to help the States store and distribute this food.

Mr. Chairman, this is a very tight bill, but it represents a balanced approach to the problem of supporting necessary programs while recognizing budget constraints. I urge the passage of H.R. 5487. We will not forget the continued struggles of the backbone of our Nation, rural America.

Mr. RAY. Mr. Chairman, I rise in strong support for this well-crafted bill which makes appropriations for Agriculture and related agencies for fiscal 1993.

I understand the severe budgetary constraints under which the Appropriations Committee is forced to work this year. The committee must be commended for its work this year. While working to craft a bill which takes into account the fiscal realities, the committee has included funding for the highest priorities in agriculture, food safety, nutrition, and research.

Regarding research, I want to express my sincere thanks on behalf of pecan growers throughout Georgia and across the southern United States for language in this bill which directs the Secretary of Agriculture to provide funding for research in pecan diseases.

As the committee is aware, and as many members who are involved in the agricultural community are aware, pecan growers throughout the South experienced tremendous crop losses last year. The devastation was caused by an as yet unidentified disease which attacked approximately 90 percent of the pecan orchards from Texas to the Eastern Shore.

There is great concern that this disease, which destroyed half of last year's pecan crops in the affected areas, will worsen in the Southeast and spread to the Southwest. Because of the significant capital investment required to harvest pecans, and the limited variety of pecan cultivars available to farmers, growers will not be able to replace orchards that are destroyed by disease. It was feared that the spread of this disease could threaten to eliminate the pecan industry in the United States.

The generous consideration of this problem by Chairman WHITTEN and the concerned members of the House Appropriations Committee will help to ensure that the United States maintains a viable pecan industry for years to come. I am very pleased that the chairman chose to support the research efforts of the Southeastern Fruit and Tree Nut Laboratory located in Byron, GA. The USDA laboratory in Byron has a history of conservative management and has produced innovative and cost-effective strategies for the containment and elimination of some of the most destructive diseases affecting fruit and nut trees.

Again, on behalf of the many thousands of growers who have benefited from the research conducted at this laboratory, I thank the chairman for his assistance.

Mrs. SCHROEDER. Mr. Chairman, I rise in support of H.R. 5487, the Agriculture appropriations bill for fiscal year 1993, and specifically to comment on the funding level for the Women, Infants, and Children's Special Supplemental Feeding Program [WIC]. I would like to thank the chairman of the Agriculture Appropriations Subcommittee, Mr. WHITTEN, for his continued efforts to expand participation in this program beyond the current 55 percent of eligible women, infants, and children. How-

ever, I am disappointed that the committee has failed to raise funding to the level needed to permit the program to stay on track for full funding by 1996.

The evidence is compelling that WIC is among the most cost-effective programs we have. In April, a report by the General Accounting Office concluded that providing WIC benefits to pregnant women more than pays for itself within a year. These findings echoed evaluations contained in a 1990 Select Committee on Children, Youth, and Families report, showing that WIC provides significant savings in Medicaid costs, while reducing low birthweight births, infant mortality, and anemia among low-income children, and improving cognitive functioning.

Our Nation's business leaders have recognized the value of WIC. CEOs of Fortune 500 companies testified last year before the House Budget Committee that every \$1 spent on WIC and related programs will save up to \$10 over the next few years, because children who are adequately nourished as infants arrive at school ready to learn, and require fewer costly special education programs.

As a long-time advocate of programs that enable children to have a head start on life, I give my strong support to any increase in WIC funding. This number reflects a \$260 million increase in the funds provided for WIC last year, an increase that is certainly encouraging. However, we cannot be fully satisfied until WIC is fully funded. This program was introduced in the 1960's, and despite nearly 30 years of proven cost-effective success, it is still not available to thousands of needy children. When are we going to fulfill our promise to our children?

Full funding for WIC is one of the best investments we can possibly make. If we truly care about our children—if we truly care about our future—then we must ensure that every single child has a chance for a healthy and hopeful start in life.

Mr. AUCOIN. Mr. Chairman, I rise in support of this bill. As we consider fiscal year 1993 appropriations for agriculture, rural development and the FDA, we also are appropriating funds for basic and applied agriculture research in various fields which include livestock, plant sciences, and nutrition. Agriculture is a key component of Oregon's economy and way of life. In Oregon we have 37,000 farms that produce more than 170 commodities. This bill provides loans which are vital to our farmers because they face recession and the sixth year of drought. I also support this bill for the programs vital to feeding our children, the elderly, and low-income people. Programs such as WIC and TEFAP are more important than ever as we strive to eradicate hunger in this country.

I would like to thank the committee for continuing to fund programs which are especially important to Oregon. The committee is continuing to support research on eastern filbert blight, small fruits research, Russian wheat aphid, soil erosion and water quality, and marketing and varietal development of potatoes.

Because of the tight spending caps, the committee was unable to fund any new grants or construction projects and froze existing programs at last year's level. While I understand the committee's policy, I am disappointed we

are not able to adequately fund other programs of merit. In my district, an existing project to construct a new seafood research laboratory in Astoria, OR, will have to wait, and critical nutrition research is jeopardized.

The original seafood lab, built in 1940 and operated by Oregon State University, has helped the Northwest seafood industry become one of the most productive and important in the world. But the current facility is inadequate to meet the demands of this dynamic industry. The new lab has the strong support of State and local governments, the community of Astoria, and private investment. The lab will be part of a larger complex, the Seafood Consumer Research and Education Center, which involves numerous activities in seafood including research, education, training, marketing, information, and promotion of seafood.

Mr. Chairman, this is an outstanding proposal that will greatly benefit the seafood industry and Astoria. I would hope that the conference committee will be able to fund this project at a level which allows construction to go forward this year.

Mr. Chairman, I would also like to recognize and draw attention to the ongoing medical research that has pioneered the identification of protective benefits of dietary calcium and other cardiovascular disease including high blood pressure, stroke, diabetes, reduction in premature birth rates, and low-birth-weight babies. Last year our colleagues in the Senate recognized the vital role that this research plays in today's medical science. As a result, current but temporary funding by USDA has allowed the Institute for Nutrition and Cardiovascular Research at Oregon Health Sciences University to continue its efforts designed to improve health and reduce the health care budget of this country.

Research focusing on the benefits of calcium continues to receive congressional support because of its critical contributions to the future financial integrity of the dairy industry as well as laying the foundation for low-cost strategies to promote health and reduce disease. Thus, continued funding for this research is imperative in our Nation's health agenda. It has implications for programs including WIC, the school lunch program, dairy price-supports, and dietary guidelines. I urge my colleagues to recognize the long-term importance of this research program and to work with me through the conference committee toward funding within the fiscal year 1993 agriculture appropriations process.

Mr. CONDIT Mr. Chairman, I rise today in strong support of the Market Promotion Program [MPP]. Contrary to popular belief by some members of this body, MPP is one of the most effective programs at the Department of Agriculture. By eliminating the Market Promotion Program, Congress will be sending a message to 38,000 Americans depending on jobs generated by the MPP that they are no longer needed.

The Market Promotion Program gives an additional boost for exporting U.S. agriculture products, particularly in situations where U.S. sales are hampered by other exporters unfair trade practices. The principle is simple: The U.S. Government shares with private industry the cost of developing, establishing, and maintaining export markets for U.S. products.

The Market Promotion Program often has been touted as the most effective of all the agriculture export promotion programs at a relatively small price. When compared to the Export Enhancement Program, which cost taxpayers over \$1 billion annually, MPP, at a cost of \$200 million annually is said to give U.S. taxpayers the biggest bang for the buck. Evidence of this is in recent USDA studies that estimate for each \$1 billion of U.S. agriculture exports, approximately 30,000 jobs are generated in the U.S. economy. Also, for each \$1 spent under MPP, sales of agricultural products increase \$2 to \$7. Thus, the \$200 million spent annually under MPP generates \$400 million to \$1.4 billion in additional exports.

Because of actions taken by the Appropriations Committee to cut this program from \$200 million to \$75 million, the Department of Agriculture will be faced with limited abilities to effectively promote agriculture commodities abroad. If Congress eliminates MPP in its entirety, we are saying that American business can do without \$2.23 billion in economic activity generated by the exports which result from MPP and \$1.4 billion in exports generated by the Market Promotion Program. I say Americans do not want this.

I would like to inform members of the House that during the 1990 farm bill debate, the Agriculture Committee instituted program controls that are now being implemented by FAS. Guidelines included: Marketing plans that describe advertising or other market oriented export promotion activities; USDA was instructed to describe the manner in which assistance received by the eligible trade organization in conjunction with funds and services provided by the eligible trade organization will be expanded in implementing the marketing plan; establish market goals to be achieved as a result of the Market Promotion Program.

Also, the Secretary has been instructed to terminate any assistance made or to be made available if he determines that a trade organization is not: Adhering to the terms or conditions of the program; not adequately implementing approved marketing plan or not adequately meeting the established goals of the Market Promotion Program, and not adequately contributing its own resources to the Market Promotion Program.

In addition, the Agriculture Committee has directed the Secretary to monitor expenditures of funds received under the Market Promotion Program including: Evaluating the effectiveness of the program in developing or maintaining markets for U.S. agriculture commodities; evaluate whether assistance provided is necessary to maintain such markets; and a thorough accounting of the expenditure of MPP funds by the trade organization

The Agriculture Committee also set limitations on the Market Promotion Program assistance that will not exceed 50 percent of the cost in implementing the marketing plan.

Mr. EMERSON. Mr. Chairman, today I rise in strong support of the Agriculture, Rural Development, and Related Agencies appropriations bill for fiscal year 1993. I would also like to thank the chairman of the subcommittee, Mr. WHITTEN, and the ranking member, Mr. SKEEN, for their hard work and diligence in preparing such a balanced package within a highly constrained budget.

This legislation represents what has been a long and deliberative process which meets many of today's agricultural needs, but yet reflects much-needed fiscal responsibility. This legislation represents many difficult budget decisions that continue to prove that Agriculture is willing to pull its fair share of the budget reduction load.

Additionally, I am also pleased to note a particular item within this appropriations measure that continues to benefit agricultural producers across the Nation. For several years now, research on the soybean cyst nematode problem has been conducted in my district at the Delta Area Agriculture Research Center in Portageville, MO. This facility is ideally suited to conducting this research, given its extensive work in the past on the problem and the fact that many farmers in the country continue to face a serious cyst nematode problem.

By including this research as a part of the appropriations package, I fully believe we will be saving a number of farmers from financial ruin in the long run. Millions of acres of farmland continue to be contaminated with the cyst nematode, including major soybean-producing counties in Missouri, Mississippi, Iowa, Illinois, Arkansas, and Nebraska among others. It has been estimated that in 1990 the soybean nematode cost our Nation's farmers over \$400 million in reduced yields. But because of the work being conducted on this problem, the Federal Government will easily save many times the \$359,000 we will spend on soybean cyst nematode research next year.

Additionally, this measure includes funding for the rural electrification administration to meet the increasing needs of our Nation's rural electric systems. Over the years, insured REA loan funds have declined substantially despite continued inflation. Despite this, rural electric insured loans continue to meet growing rural development demands and the need for these job-producing and infrastructure-improving loan funds has never been more important to our rural towns and communities than today.

Likewise, there are many other fine projects and research efforts contained in this bill along with needed funding for the Supplemental Food Program for Women, Infants, and Children and continued funding for other vital domestic food and nutrition programs. I urge my colleagues to show their support for these valuable endeavors by giving favorable approval to this appropriations measure.

Mr. LAGOMARSINO. Mr. Chairman, I rise in opposition to H.R. 5487, the agriculture appropriation bill, and to express my strong support for the Market Promotion Program [MPP].

Given what we've seen in the media and the numerous "Dear Colleague" letters from my respected colleague and friend from Texas, I suspect several Members on our side of the aisle are wondering why I've risen in defense of a program characterized as corporate welfare and trade subsidies.

They know that I've spent almost 20 years in Congress fighting for free trade and self-determination of nations; and they know that I am a fiscal conservative opposed to wasteful government spending and subsidies. What they may not realize, however, is that the MPP is one of our best tools for breaking into foreign markets that have been closed to

American business by foreign tariffs, subsidies, and nontariff barriers.

As a senior member of the Foreign Affairs Committee, I've worked to ensure that free trade and self-determination remain the foundation of our foreign policy. After the Second World War, we made a strategic decision to create a global economy based on free trade. We did this because we knew that the United States could not long survive—and certainly not prosper—in a world that was not free.

In the short term, our policies have required tremendous sacrifices from the American people. We opened our markets to the world while we tolerated a degree of protectionism in the new European democracies. Despite the financial burdens, the lost jobs and markets for our products, we knew that it was in the overall best interest of the United States. And we were right.

Today, we are the strongest economic power in the world, and we have a global economy that is characterized—first and foremost—by free trade.

However, there is one notable exception to this success story: Agriculture. World agricultural trade is marked by massive government subsidies, high tariffs, and the most pervasive nontariff barriers imaginable. Foreign governments protect and vigorously pursue markets with government handouts and intervention.

The rules of the market as we know them do not apply. Despite the fact that American farmers and farmer cooperatives produce superior products at lower prices, they have a difficult time competing with foreign governments.

Given this situation we have two basic policy options; each with its own set of consequences.

The first is to do nothing. Yet by doing nothing, we are resigning ourselves—and our farmers—to failure. We will write off an entire sector of the global economy to protectionism. And we will send a message from Tokyo to Brussels that it's OK to lock up entire markets with trade barriers and subsidies.

The second, is to remain true to the principle of free trade and support policies which tear down barriers and combat production subsidies. As I see it, the real question is not if we should open foreign markets to American farmers, but how we should do it.

One choice would be to dump billions of dollars into production subsidies like the Europeans and most other countries so that our growers can compete on price alone. This floods world markets with commodities, drives down prices, destroys grower returns, and wastes billions of taxpayers' dollars.

Another option is the MPP. This program allows American farmers to penetrate foreign markets by creating a demand for U.S. products abroad. The MPP provides farmer cooperatives and companies with financial incentives to undertake long-term market development initiatives.

MPP marketing strategies are designed to create demands for specific U.S. products and commodities like Sunkist oranges or American cotton. This aspect of the program is critical because it allows consumers to distinguish between American products and those from other countries. This is the only way U.S. growers can compete against subsidized crops on the basis of quality.

By increasing consumer demand, the MPP allows for increased production and grower returns. The MPP represents a fraction of what this country spends on program crop subsidies, yet it realizes billions of dollars in foreign agricultural sales and thousands of U.S. jobs.

When compared to the more traditional agricultural policies, the MPP has enjoyed considerable success in opening foreign markets during its short lifetime.

Agricultural trade represents 20 percent of the global economy, and—given a level playing field—our farmers and farmer cooperatives are the most competitive in the world. We should not turn our backs to this type of trade, and I strongly urge my colleagues to oppose further cuts or restrictions on the program.

The CHAIRMAN. All time for general debate having now been consumed, the Clerk will read.

The Clerk read as follows:

H.R. 5487

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1993, and for other purposes, namely:

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

Mr. Chairman, I will not take the 5 minutes, but I would like to stand and use this time, and through this means, to support H.R. 5487, this agriculture bill.

Mr. Chairman, I do commend the gentleman from Mississippi [Mr. WHITTEN], the chairman of the full committee and the dean of my delegation from Mississippi, for once again doing a remarkable job in bringing this bill, given the budgetary constraints placed against it.

I would also like to say to the gentleman from Kentucky [Mr. NATCHER], the acting chairman of the committee, that he has done a remarkable job also.

If I could point out just two things about this bill, Mr. Chairman, that makes it so worthy, the fact that this committee has made WIC funding a priority.

WIC received the largest increase in this bill, some \$260 million. That is a pretty good increase, but I would like to tell the membership that it is very cost-effective, because we have learned from past participation in the WIC Program that this \$260 million will result in substantial savings in the cost of Medicaid for newborns and mothers.

Also, I would like to thank the chairman of the full committee for including in this bill continued support for what we call the Yazoo basin flood project. We well know in Mississippi the need for this project to be completed, and I am really grateful for the inclusion of some moneys to the Soil Conservation Service's portion of the project which is called the Mississippi Delta Water Use Study, as well.

Last, if I have one regret, Mr. Chairman, I would like to express it, and it is that in this bill the committee zeroed out something that is known as the wetlands reservation bill. We know that it is needed. We know that it is beneficial, but, again, because of cost constraints placed against the bill, the wetlands reserve program was zeroed out, and I really hope that we know that it is essential and necessary and hope that at some point in time that some moneys could be made available for that.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

TITLE I—AGRICULTURAL PROGRAMS
PRODUCTION, PROCESSING, AND MARKETING
OFFICE OF THE SECRETARY
(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Office of the Secretary of Agriculture, and not to exceed \$50,000 for employment under 5 U.S.C. 3109, \$2,282,000: *Provided*, That not to exceed \$8,000 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary: *Provided further*, That the Secretary may transfer salaries and expenses funds in this Act sufficient to finance a total of not to exceed 35 staff years between agencies of the Department of Agriculture to meet workload requirements.

OFFICE OF THE DEPUTY SECRETARY

For necessary expenses of the Office of the Deputy Secretary of Agriculture, including not to exceed \$25,000 for employment under 5 U.S.C. 3109, \$543,000: *Provided*, That not to exceed \$3,000 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Deputy Secretary.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

For necessary expenses of the Office of Budget and Program Analysis, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$5,000 is for employment under 5 U.S.C. 3109, \$5,756,000.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

For necessary expenses of the Office of the Assistant Secretary for Administration to carry out the programs funded in this Act, \$596,000.

RENTAL PAYMENTS (USDA)

(INCLUDING TRANSFERS OF FUNDS)

For payment of space rental and related costs pursuant to Public Law 92-313 for programs and activities of the Department of Agriculture which are included in this Act, \$50,503,000, of which \$5,000,000 shall be retained by the Department of Agriculture for non-recurring repairs as determined by the Department of Agriculture: *Provided*, That in the event an agency within the Department of Agriculture should require modification of space needs, the Secretary of Agriculture may transfer a share of that agency's appropriation made available by this Act to this appropriation, or may transfer a share of this appropriation to that agency's appropriation, but such transfers shall not exceed 10 per centum of the funds made available for space rental and related costs to or from this account.

BUILDING OPERATIONS AND MAINTENANCE

For the operation, maintenance, and repair of Agriculture buildings pursuant to the del-

egation of authority from the Administrator of General Services authorized by 40 U.S.C. 486, \$25,700,000.

ADVISORY COMMITTEES (USDA)

For necessary expenses for activities of advisory committees of the Department of Agriculture which are included in this Act, \$952,000: *Provided*, That no other funds appropriated to the Department of Agriculture in this Act shall be available to the Department of Agriculture for support of activities of advisory committees.

□ 1250

AMENDMENT OFFERED BY MR. JONTZ

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

The Clerk read as follows:

Amendment offered by Mr. JONTZ: Page 4, line 14, strike "committees." and insert "committees: *Provided further*, That \$120,000 of this amount shall be available for the National Organic Standards Board."

Mr. JONTZ. Mr. Chairman, I will be offering several amendments to this appropriations bill this afternoon that seek to implement some very important programs regarding the environment and regarding consumers that were authorized by the 1990 farm bill.

I appreciate the very difficult task that the subcommittee has had in meeting all the needs that exist with very limited funds; nonetheless, I believe it is a mistake not to fund some of the very important initiatives that were in the 1990 farm bill that will help us make the transition in this country to more environmentally sensitive systems of agriculture.

My fear is that if we do not make these voluntary programs work we will be back facing mandatory controls on agriculture which are not in my opinion the best way to resolve the problem.

This particular amendment insures that there will be adequate funding for a program that was approved in the 1990 farm bill for the National Organic Standards Board. The purpose of the program is simple. By giving consumers a choice for organic food in the marketplace, we will be providing market signals to farmers who choose to farm organically.

By providing specifically for \$120,000 in the appropriations bill we will be supporting the work of the National Organic Standards Board in the amount requested by the administration. This Board is comprised of farmers, organic food industry representatives, and environmental groups. Without funding, the important work of establishing national organic standards will be slowed or even halted.

It is necessary that we have national organic standards so that when the consumer goes to the marketplace, they know when they see the word organic that they are getting something organic, so that producers know the standards they, too, will have to meet in order to achieve what would be called an organic classification.

This is a very modest amount of money and we would not be adding any money, but rather providing that from this appropriation the \$120,000 would be available for the National Organic Standards Board.

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

Mr. Chairman, I rise in reluctant opposition to the amendment and urge the Members to reject it.

Basically, the committee has cut in half the amount of funds requested by the President for advisory committees. There are 42 advisory committees which are established to provide the Department with a variety of expertise on a number of the questions which the Department has to cope with each year.

The gentleman's amendment would earmark almost 15 percent of what we have provided in this bill for advisory committees for just one of those 42 advisory committees. Undoubtedly, it is a useful committee, but I cannot say with certainty that it is more useful than any number of the other 42 committees that are proposed.

For example, is it more important than the National Advisory Committee on Meat and Poultry Inspection? Well, I am not sure, but the Department is going to have to make some tough decisions about which of these advisory committees to fund and by how much. This is not going to be an easy decision.

So, Mr. Chairman, I would suggest that the Committee on the Whole reject this amendment, which as I say would earmark almost 15 percent of all the funds available in this bill for just one of these advisory committees and leave the decision about the allocation of the funds to the Department itself.

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

Mr. MCHUGH. I am happy to yield to the gentleman from Indiana.

Mr. JONTZ. Mr. Chairman, I appreciate the position of the committee chairman. I have no doubt that there are a number of very valuable advisory committees and what a difficult task it would be to sort out the individual funding for each of them.

I would suggest to the chairman that the particular responsibilities which we, by law gave to the National Organic Standards Board must be completed if we are to have an Organic Standards Program.

I would say that this distinguishes the Organic Standards Board from the vast majority of the committees, because we are in a situation with this particular committee that if we do not give the standards written, if this committee cannot proceed on its work, then we will not have a program, and I would dare say you could not make that point with regard to the overwhelming majority of the other boards and commissions of which the gentleman speaks.

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

Mr. MCHUGH. Yes, I am happy to yield to the gentleman from Illinois.

Mr. DURBIN. Mr. Chairman, I would like to say to my friend, the gentleman from Indiana, that I share his concern and I think his effort here is certainly for a good cause, but we are faced with some very serious problems, as was described during the general debate preceding the amendments to this bill.

Of the 42 advisory committees proposed in the budget request, 20 of them are required by law, I might tell my colleague, the gentleman from Indiana. His particular committee that he is interested in, the National Organic Standards Board, is an important one. Some of the others are important as well.

What we have tried to say in the committee is that the Secretary should have the responsibility to decide which of these need funding and which of them, in fact, will provide critical information.

It will not be an easy choice, but I think the gentleman perhaps overreaches when he asks for one out of every \$6 to be going to advisory committees to go to this particular one. There are some 41 other committees that I am sure feel they are equally well deserving.

Mr. SKEEN. Mr. Chairman, I also rise in opposition to the amendment.

I know it is well-intentioned, but we have already done this work. We have cut the advisory boards in half during this appropriations period, but I think the major thing is that we left a lot of discretion as to the importance of each of these boards to the Secretary of Agriculture. I think that probably would take care of the concern of the gentleman from Indiana, that if this is important enough the Secretary would have the flexibility and the opportunity to apply more funds to that particular Board.

So, Mr. Chairman, I maintain my opposition, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. JONTZ].

The amendment was rejected.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

HAZARDOUS WASTE MANAGEMENT
(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Department of Agriculture, to comply with the requirement of section 107g of the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, 42 U.S.C. 9607g, and section 6001 of the Resource Conservation and Recovery Act, as amended, 42 U.S.C. 6961, \$16,000,000, to remain available until expended: *Provided*, That appropriations and funds available herein to the Department of Agriculture for hazardous waste management may be transferred to any agency of the Department for its use in meeting all requirements pursuant to the above Acts on Federal and non-Federal lands.

DEPARTMENTAL ADMINISTRATION
(INCLUDING TRANSFERS OF FUNDS)

For Personnel, Finance and Management, Operations, Information Resources Management, Advocacy and Enterprise, and Administrative Law Judges and Judicial Officer, \$25,014,000, for Departmental Administration to provide for necessary expenses for management support services to offices of the Department of Agriculture and for general administration and emergency preparedness of the Department of Agriculture, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$10,000 is for employment under 5 U.S.C. 3109: *Provided*, That this appropriation shall be reimbursed from applicable appropriations in this Act for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551-558.

OFFICE OF THE ASSISTANT SECRETARY FOR
CONGRESSIONAL RELATIONS

For necessary expenses of the Office of the Assistant Secretary for Congressional Relations to carry out the programs funded in this Act, \$1,307,000.

OFFICE OF PUBLIC AFFAIRS

For necessary expenses to carry on services relating to the coordination of programs involving public affairs, and for the dissemination of agricultural information and the coordination of information, work and programs authorized by Congress in the Department, \$8,925,000, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$10,000 shall be available for employment under 5 U.S.C. 3109, and not to exceed \$2,000,000 may be used for farmers' bulletins and not fewer than two hundred thirty-two thousand two hundred and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook of Agriculture) as authorized by 44 U.S.C. 1301: *Provided*, That in the preparation of motion pictures or exhibits by the Department, this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225).

INTERGOVERNMENTAL AFFAIRS

For necessary expenses for programs involving intergovernmental affairs and liaison within the executive branch, \$468,000.

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and the Inspector General Act of 1978, as amended, \$62,786,000, including such sums as may be necessary for contracting and other arrangements with public agencies and private persons pursuant to section 6(a)(8) of the Inspector General Act of 1978, as amended, and including a sum not to exceed \$50,000 for employment under 5 U.S.C. 3109; and including a sum not to exceed \$95,000 for certain confidential operational expenses including the payment of informants, to be expended under the direction of the Inspector General pursuant to Public Law 95-452 and section 1337 of Public Law 97-98.

OFFICE OF THE GENERAL COUNSEL

For necessary expenses of the Office of the General Counsel, \$24,554,000.

OFFICE OF THE ASSISTANT SECRETARY FOR
ECONOMICS

For necessary expenses of the Office of the Assistant Secretary for Economics to carry out the programs funded in this Act, \$580,000.

ECONOMIC RESEARCH SERVICE

For necessary expenses of the Economic Research Service in conducting economic research and service relating to agricultural production, marketing, and distribution, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, including economics of marketing; analyses relating to farm prices, income and population, and demand for farm products, use of resources in agriculture, adjustments, costs and returns in farming, and farm finance; research relating to the economic and marketing aspects of farmer cooperatives; and for analysis of supply and demand for farm products in foreign countries and their effect on prospects for United States exports, progress in economic development and its relation to sales of farm products, assembly and analysis of agricultural trade statistics and analysis of international financial and monetary programs and policies as they affect the competitive position of United States farm products, \$58,720,000; of which \$500,000 shall be available for investigation, determination, and finding as to the effect upon the production of food and upon the agricultural economy of any proposed action affecting such subject matter pending before the Administrator of the Environmental Protection Agency for presentation, in the public interest, before said Administrator, other agencies or before the courts: *Provided*, That this appropriation shall be available to continue to gather statistics and conduct a special study on the price spread between the farmer and the consumer: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225): *Provided further*, That this appropriation shall be available for analysis of statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis.

NATIONAL AGRICULTURAL STATISTICS SERVICE

For necessary expenses of the National Agricultural Statistics Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, and marketing surveys, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, \$80,941,000: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$40,000 shall be available for employment under 5 U.S.C. 3109.

WORLD AGRICULTURAL OUTLOOK BOARD

For necessary expenses of the World Agricultural Outlook Board to coordinate and review all commodity and aggregate agricultural and food data used to develop outlook and situation material within the Department of Agriculture, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1622g), \$2,367,000: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225).

OFFICE OF THE ASSISTANT SECRETARY FOR
SCIENCE AND EDUCATION

For necessary salaries and expenses of the Office of the Assistant Secretary for Science

and Education to administer the laws enacted by the Congress for the Agricultural Research Service, Cooperative State Research Service, Extension Service, and National Agricultural Library, \$560,000.

ALTERNATIVE AGRICULTURAL RESEARCH AND
COMMERCIALIZATION

For necessary expenses to carry out the Alternative Agricultural Research and Commercialization Act of 1990 (7 U.S.C. 5901-5908), \$4,500,000.

AGRICULTURAL RESEARCH SERVICE
(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to enable the Agricultural Research Service to perform agricultural research and demonstration relating to production, utilization, marketing, and distribution (not otherwise provided for), home economics or nutrition and consumer use, and for acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed \$100, \$658,379,000: *Provided*, That appropriations hereunder shall be available for temporary employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$115,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That funds appropriated herein can be used to provide financial assistance to the organizers of national and international conferences, if such conferences are in support of agency programs: *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: *Provided further*, That appropriations hereunder shall be available to conduct marketing research: *Provided further*, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided the cost of constructing any one building shall not exceed \$250,000, except for greenhouses or greenhouses which shall each be limited to \$1,000,000, and except for ten buildings to be constructed or improved at a cost not to exceed \$500,000 each, and the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building or \$250,000, whichever is greater: *Provided further*, That the limitations on alterations contained in this Act shall not apply to modernization or replacement of existing facilities at Beltsville, Maryland: *Provided further*, That the foregoing limitations shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): *Provided further*, That the foregoing limitations shall not apply to the purchase of land or the construction of facilities as may be necessary for the relocation of the United States Horticultural Crops Research Laboratory at Fresno to Parlier, California, and the relocation of the laboratories at Behoust, France and Rome, Italy to Montpellier, France, including the sale or exchange at fair market value of existing land and facilities at Fresno, California and Behoust, France; and the Agricultural Research Service may lease such existing land and facilities from the purchasers until completion of the replacement facilities: *Provided further*, That not to exceed \$190,000 of this appropriation may be transferred to and merged with the appropriation for the Office of the Assistant Secretary for Science and Education for the scientific review of international issues involving agricultural chemicals and food additives: *Provided further*, That funds may be received from any State, other political

subdivision, organization, or individual for the purpose of establishing or operating any research facility or research project of the Agricultural Research Service, as authorized by law.

Special fund: To provide for additional labor, subprofessional, and junior scientific help to be employed under contracts and cooperative agreements to strengthen the work at Federal research installations in the field, \$2,500,000.

BUILDINGS AND FACILITIES

For acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities as necessary to carry out the agricultural research programs of the Department of Agriculture, where not otherwise provided, \$34,514,000, to remain available until expended (7 U.S.C. 2209b): *Provided*, That facilities to house bonsai collections at the National Arboretum may be constructed with funds accepted under the provisions of Public Law 94-129 (20 U.S.C. 195) and the limitation on construction contained in the Act of August 24, 1912 (40 U.S.C. 68) shall not apply to the construction of such facilities: *Provided further*, That funds may be received from any State, other political subdivision, organization, or individuals for the purpose of establishing any research facility of the Agricultural Research Service, as authorized by law.

COOPERATIVE STATE RESEARCH SERVICE

For payments to agricultural experiment stations, for cooperative forestry and other research, for facilities, and for other expenses, including \$168,785,000 to carry into effect the provisions of the Hatch Act approved March 2, 1887, as amended, including administration by the United States Department of Agriculture, penalty mail costs of agricultural experiment stations under section 6 of the Hatch Act of 1887, as amended, and payments under section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301n.); \$18,533,000 for grants for cooperative forestry research under the Act approved October 10, 1962 (16 U.S.C. 582a-582-a7), as amended, including administrative expenses, and payments under section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301n.); \$27,400,000 for payments to the 1890 land-grant colleges, including Tuskegee University, for research under section 1445 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222), as amended, including administration by the United States Department of Agriculture, and penalty mail costs of the 1890 land-grant colleges, including Tuskegee University; \$57,688,000 for contracts and grants for agricultural research under the Act of August 4, 1965, as amended (7 U.S.C. 450i); \$97,500,000 for competitive research grants under section 2(b) of the Act of August 4, 1965, as amended (7 U.S.C. 450i(b)), including administrative expenses; \$5,551,000 for the support of animal health and disease programs authorized by section 1433 of Public Law 95-113, including administrative expenses; \$1,168,000 for supplemental and alternative crops and products as authorized by the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319d); \$400,000 for grants for research pursuant to the Critical Agricultural Materials Act of 1984 (7 U.S.C. 178) and section 1472 of the Food and Agriculture Act of 1977, as amended (7 U.S.C. 3318), to remain available until expended; \$475,000 for rangeland research grants as authorized by subtitle M of the National Agricultural Research, Extension, and Teaching Policy Act of 1977, as amended; \$3,500,000 for

higher education graduate fellowships grants under section 1417(b)(6) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977, as amended (7 U.S.C. 3152(b)(6)), including administrative expenses; \$1,500,000 for higher education challenge grants under section 1417(b)(1) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977, as amended (7 U.S.C. 3152(b)(1)), including administrative expenses; \$4,000,000 for grants as authorized by section 1475 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 and other Acts; \$6,725,000 for sustainable agriculture research and education, as authorized by section 1621 of Public Law 101-624 (7 U.S.C. 5811), including administrative expenses; and \$19,170,000 for necessary expenses of Cooperative State Research Service activities, including coordination and program leadership for higher education work of the Department, administration of payments to State agricultural experiment stations, funds for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which \$10,250,000 shall be for a program of capacity building grants to colleges eligible to receive funds under the Act of August 30, 1890 (7 U.S.C. 321-326 and 328), including Tuskegee University, of which not to exceed \$100,000 shall be for employment under 5 U.S.C. 3109; in all, \$412,395,000.

The CHAIRMAN (during the reading). For what purpose does the gentleman from Indiana rise?

Mr. JONTZ. Mr. Chairman, I offer amendments en bloc.

The CHAIRMAN. The Clerk will complete reading the paragraph and then report the gentleman's amendments.

The Clerk concluded the reading of the section.

PARLIAMENTARY INQUIRY

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

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. FAWELL. Mr. Chairman, why is the gentleman from Indiana recognized?

The CHAIRMAN. The gentleman from Indiana, as the Chair understands it, has an amendment at the desk to diminish the amount that is appropriated. As the Chair understands, the gentleman has filed an amendment seeking to delete the appropriation. The logical order appears to allow the gentleman to offer his amendment first and then the gentleman from Illinois [Mr. FAWELL] may offer his amendment.

AMENDMENTS OFFERED BY MR. JONTZ

Mr. JONTZ. Mr. Chairman, I offer amendments en bloc.

Mr. McHUGH. Mr. Chairman, I reserve a point of order on these amendments.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. JONTZ: Page 15, line 9, strike "\$57,668,000" and insert "\$54,068,000"; Page 16, line 13, strike "\$6,725,000" and insert "\$11,168,000"; Page 17, line 11, strike "\$33,611,000" and insert "\$30,250,000"; Page 18, line 1, after the semicolon insert "payments for the sustainable

agriculture technology development and transfer program under section 3(d) of the Act, \$2,000,000."

□ 1300

The CHAIRMAN. Does the gentleman from New York [Mr. McHUGH] wish to make his point of order?

POINT OF ORDER

Mr. McHUGH. Mr. Chairman, I do insist upon my point of order.

I make a point of order against the amendment since it, in effect, calls for the en bloc consideration of two different paragraphs in the bill, two or more. The precedents of the House are clear in this matter: Amendments to a paragraph or section are not in order until such paragraph or section has been read; and, therefore, the amendment is not in order in its present form.

The CHAIRMAN. Does the gentleman from Indiana [Mr. JONTZ] desire to be heard?

Mr. JONTZ. Mr. Chairman, I regret the Chairman seeks to make this point of order. We did not have the opportunity to go to the Committee on Rules to seek a rule to protect amendments which would allow us to cut funding in one place and to then reallocate that in another section.

I feel like we have some very fundamental decisions we have to make about priorities with regard to spending in this appropriations bill, but the Members should have an opportunity to make them on the floor.

This amendment seeks to take money from a number of earmarked grants and use them instead for increased funding for the sustainable agricultural research and education program.

The unfortunate situation is we have national needs with regard to research which are not being met because we have the sum of money which is in this bill for a whole host of individual projects.

I do not seek to debate the merits of the individual projects but simply to strike 10 percent off those projects and reallocate that to the item called sustainable agricultural research and education.

I am sorry if the gentleman, if the chairman does object to it. We will not have the opportunity to debate that issue on the floor, not have the opportunity to debate the merits of one source of funding, of one priority for funding for the other, because we had no opportunity to go to the Committee on Rules to get a rule to protect such an amendment. We are at the mercy of the chairman to see if he would allow this amendment to be offered. I would ask the gentleman to please allow the amendment to be offered so that we can debate the merits of the issue.

Mr. McHUGH. Mr. Chairman, I would simply say the Committee on Appropriations has been criticized before for

getting limited rules. We brought this bill directly to the floor with no rule, and therefore the rules of the House apply. I am simply insisting on a point of order consistent with the rules of the House, and I do insist on the point of order.

The CHAIRMAN (Mr. SPRATT). For the reasons stated by the gentleman from New York, his point of order is sustained.

Are there any other amendments to this paragraph?

AMENDMENT OFFERED BY MR. FAWELL

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

The Clerk read as follows:

Amendment offered by Mr. FAWELL: Page 15, strike line 9 and all that follows through the semicolon on line 11.

Page 17, line 3, strike "\$412,395,000" and insert "\$354,707,000".

Mr. FAWELL. Mr. Chairman, I offer this amendment with my esteemed colleague and cochairman of the Porkbusters Coalition, Congressman TIM PENNY. Our amendment would cut \$57.7 million for 85 special research grants funded through the Cooperative State Research Service [CSRS]. None of these grants has been specifically authorized, none has been competitively awarded, and none has had actual hearings.

All 85 projects were in the two porkbusters' bills for fiscal years 1991-92, H.R. 4315 and H.R. 2643.

Examples of projects we seek to cut are \$120,000 for animal waste disposal; \$387,000 for cool season legume research; \$185,000 for lowbush blueberry research; and \$340,000 for fish marketing.

These earmarks are the purest form of pork-barrel spending, not because of the subject matter of the 85 spending projects but because it completely bypasses established procedures and criteria for spending.

If these projects are meritorious, they can be funded the old fashioned way by going through the process—specific authorization, competitive awarding, and science peer review. In addition, a parallel \$97.5 million grant program—the National Research Initiative—exists which funds agricultural research with the appropriate level of scrutiny, competitive awarding and peer review. This National Research Initiative program, also run by the Cooperative State Research Service, was created in the 1990 farm bill to also fund agricultural research. All of the grants in the six basic categories are authorized, and spending projects are required to be peer reviewed, and awarded competitively.

The issue here is not the merit of the substance of these grant programs.

The fundamental problem with these grants is that they have not been authorized, not been competitively awarded, and not been subject to hearings. In this time of budget crisis, we

should be more rigorous than ever in ensuring that taxpayers' money is spent only on spending projects determined to be of high national priority.

The interest groups that represent the taxpayers support our amendment, including the National Taxpayers Union, Citizens for a Sound Economy, and Citizens Against Government Waste. And for good reason.

Three weeks ago this body rejected a balanced budget amendment to the Constitution, promising the American people we could make the tough choices necessary to bring the Federal deficit under control without a constitutional mandate.

Obviously, we have a lot of work to do to accomplish that goal and this cut of \$58 million is one of the thousand steps we must make. But I submit to my colleagues that if we are unable—or unwilling—to cut funding for 85 projects which have basically bypassed the appropriation process, then I doubt very much we will make hard choices necessary to even significantly cut the projected \$400 billion deficit for fiscal year 1993. If we can not start with cuts for research on animal manure and lowbush blueberries that have not gone through the appropriation process, how will we muster the courage to cut funding for a variety of national priorities.

One thing we ought to be able to cut is spending projects which never went through the process.

□ 1310

Mr. PENNY. Mr. Chairman, I rise in support of the amendment of the gentleman from Illinois [Mr. FAWELL].

Mr. Chairman, this amendment has been described by the gentleman from Illinois. It strikes a variety of special research grants funded in this legislation. Last year and the year before the gentleman from Illinois [Mr. FAWELL] and myself identified a number of projects in various appropriations bills which we deemed to be pork-barrel spending. We established criteria for such spending to include projects that had not been authorized by the appropriate committee, had not been requested by the administration, and were not deemed to have a national purpose, but instead accrued to the benefit, primarily, of localities, or served a parochial interest. These projects were categorized as pork-barrel spending, and our legislation sought to eliminate those kinds of programs from the budget.

Mr. Chairman, a year ago in the Agriculture appropriations bill we identified 141 such projects totaling \$74 million. Our legislation, H.R. 4315, sought to strike or rescind those projects from the budget.

This time around the list of pork-barrel items has been reduced. There are only 85 such special research grants funded in this bill, but again it is our judgment that, because they have not

been specifically authorized and have not been competitively awarded, that they should be categorized as pork-barrel spending.

These types of programs may not add up to a lot of money in the scheme of things, but they are indicative of a process that has no place in an era in which our No. 1 priority ought to be to reduce the Federal deficit. These kinds of projects can be funded through the normal procedure. There are grant moneys available to the cooperative State research service, and these projects could be competitively awarded through the normal process. It is our judgment that, if they are meritorious, they can and should compete in that arena and receive funding on that basis. Absent that kind of justification, we feel that it is appropriate for us at this point to strike the items from the appropriations bill.

Again, Mr. Chairman, The Fawell amendment would strike 85 projects totaling \$57.7 million. I would ask the Members for support of the amendment.

Mr. JAMES. Mr. Chairman, I move to strike the last word and rise in support of the amendment that is pending here.

Mr. Chairman, we are about to spend \$59 billion to fund the Department of Agriculture this year. I am wondering what we will have to show for it.

Last year we spent \$200 million to fund the market promotion program. McDonald's got \$465,000 to promote the Chicken McNugget. For that matter, Mr. Chairman, we gave Campbell's Soup \$465,000 to tell people in Taiwan that they could have had a V-8 juice. This is a waste of money.

Last year we gave the Commodity Credit Corporation \$7 billion to finance farm subsidies and crop insurance. I have nothing against crop insurance, Mr. Chairman, except when the Department of Agriculture insures the farmer at a rate where the Government is losing money. That is a problem, this does not make any sense to me, and I think it is a waste of money.

Mr. Cliff Tuttle of Jacksonville, FL, is tired of wasting money, Mr. Chairman, and so am I. He writes: "I am disgusted, frustrated and mad as hell."

This is a classic example of what happens when Government is allowed to grow far out of proportion to its needs. Mr. Chairman, this Government is out of hand. It has been mentioned many times that this Government has a \$400 billion deficit and that it must take thousands and thousands of efforts on behalf of our behalf, little bites at a time and, in some cases, big bites, and this bill offers us many opportunities to make a significant effort toward reducing that deficit. That \$400 billion has a geometric factor to it, and in just a very few years we will be deficit spending everything Government needs, and yet it seems that we approach every bill in the same way, that

we are still working on that mark where it is \$400 billion in deficit.

Mr. Chairman, that concerns me. That concerns the American people. And that is frustrating to many of us in Congress, especially since we have the audacity to suggest, and many have, that we do not need a balanced budget amendment. It seems peculiar to me that we still proceed with business as usual, and it would seem that this bill, as has been pointed out just in this one amendment, and in many others, gives us a fantastic opportunity to examine the legitimacy of absolutely every expenditure. In this case and in this amendment they have not even passed through the authorizing committees, or the proper committees, in every instance. That is some major concern, I think, to most of us in the House, and, if we do not pay attention to our specific expenditures, we cannot—

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

Mr. JAMES. I yield to the gentleman from Illinois.

Mr. DURBIN. Mr. Chairman, I am sure my colleague from Florida is aware of the fact, that this subcommittee cut the administration's request from \$200 million down to \$75 million on the Market Promotion Program in the appropriation bill. He may also be aware—

Mr. JAMES. Mr. Chairman, reclaiming the balance of my time, I am sure that we have many superficial cuts, and I call them superficial, not in the context of that one cut, and the gentleman from Illinois [Mr. DURBIN] is smiling, but \$400 billion is still a billion and a half or a billion—

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

Mr. JAMES. I mean \$150 billion more than the entire defense budget.

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

Mr. JAMES. Although my time is relatively limited, I yield to the gentleman from Illinois one more time.

Mr. DURBIN. Mr. Chairman, is the gentleman from Florida [Mr. JAMES] aware that this subcommittee cut the President's request by \$1.4 billion in this particular agency? Is the gentleman aware of that?

Mr. JAMES. Mr. Chairman, I am quite aware of all of the allegations of cuts.

Mr. DURBIN. Mr. Chairman, it is not an allegation. It is a fact.

Mr. JAMES. Yes; I am quite aware that there have been cuts in relationship to that bill. That is not the issue.

But is the gentleman aware that we are still right at a \$400 billion deficit? Is the gentleman aware, if we keep going at this rate for 2 or 3 more years, that we will be doing nothing but deficit spending, and we only have 60 percent of our income tax now going to pay interest? Is the gentleman aware of

that? Is the gentleman aware of such things as interest on interest? Is the gentleman aware that he is going to bankrupt this Nation, the Democrat Party is, and I do not want to be part of it while we sit here and have that kind of deficit?

Mr. Chairman, I am concerned about it.

Is the gentleman aware that we promised just a few days ago that we did not need a balanced budget amendment? We actually told the public we did not need a balanced budget amendment. We suggested that.

So, yes, we cannot make excuses in regard to this bill or in regard to any other while we still have that great big mark, that \$400 billion deficit.

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

Mr. JAMES. I yield to the gentleman from Illinois.

Mr. DURBIN. Mr. Chairman, I just say to the gentleman, "I agree with everything you said."

Mr. JAMES. I thank the gentleman.

Mr. DURBIN. The deficit is a serious problem. This subcommittee addressed that by reducing expenditures in this bill to the point that many of the Members are complaining the cuts are too deep.

Mr. JAMES. Mr. Chairman, would the gentleman answer one question for me?

Mr. DURBIN. I would be happy to.

Mr. JAMES. With all of these fine cuts that are made, that the gentleman is suggesting are made, how much has it moved that \$400 billion deficit? How much does it move it?

Mr. DURBIN. At least \$1.4 billion from the President's mark.

Mr. JAMES. From the President's mark, and that is one-quarter of a percent.

I ask the gentleman, "Are you really suggesting that's enough? Are you actually suggesting?"—

The CHAIRMAN. The time of the gentleman from Florida [Mr. JAMES] has expired.

Mr. SMITH of Iowa. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Illinois [Mr. FAWELL].

Mr. Chairman, to start with let me point out that the program that the gentleman from Florida [Mr. JAMES] spotlighted is not a program included in this amendment anyway. The program he referred to is in another part of the bill. So, the comments that he made relative to that program, the criticism for it, if they are justified, are not justified in considering this particular amendment. We are dealing with the Agricultural Research.

However, Mr. Chairman, the gentleman from Florida [Mr. JAMES] does ask a question: What do we have to show for the Agricultural Research Service? We have plenty to show for the Agricultural Research Service.

The food industry is the most advanced technology transfer industry in the United States. It is the most successful industry we have. In the United States, we have actually produced food cheaper than anywhere else in the world. The food industry is the most efficient in the world. It is envied all over the world. We produce food cheaply, we keep producers in the production mode, and at the same time we have cheap food for people.

□ 1320

The gentleman from Illinois spotlighted animal manure disposal. I would point out that that grant is in Michigan, not in Iowa. Handling animal waste is one of the most important agricultural environmental problems we have. Two problems we have are how do we dispose of animal waste, and now do we dispose of human waste in this country? We are spending billions and billions of dollars trying to dispose of human waste.

Animal waste disposal is an environmental problem too. The swine industry has changed in the last 15 or 20 years. Large numbers of hogs are now raised in a small confined area, not spread out in fields where they can recycle the waste in the soil. This is important. If Members do not believe disposing of animal waste is important they should visit Holland. In Holland they are paying to haul animal waste to other countries. It is an environmental problem. If people build houses close to where the hog confinement facilities are, then there is a problem with the smell.

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

Mr. SMITH of Iowa. I yield to the gentleman from Illinois.

Mr. FAWELL. The only reason I asked the gentleman to yield is that he mentioned that we are talking about the agricultural research services. We are not. We are talking about Cooperative State Research Services. The agricultural research services are in-house services, as I understand it. We are not saying anything about that, nor are we in any way objecting to the competitive research program, which we think is run very well. It is the cooperative State research services only that we are referring to.

Mr. SMITH of Iowa. These are special research grants, and they come in the same categories. It is this kind of research that has been done in recent years. I remember several years ago when I had been in Arkansas and I came back and reported that I had seen a dike around a rice field. I wondered, what in the world are they doing there with deep water in a rice field? I found out they were propagating fish. I came back and said something about it. Members laughed about the idea that farmers would raise fish. But it is now one of the fastest growing and one of

the most important industries we have. We are importing 90 percent of our fish, and if it were not for the domestic fish industry, it would be more.

This is the kind of thing you can make fun of, but these research grants are important. One can go down this list and pick out some that do not have a name perhaps that seems important, but the fact of the matter is that these are important grants.

So let us not overlook the importance of these to the agricultural community as well as the consumers. If you want to look for proof, just look at what has been accomplished in the United States since we have had these kinds of grants. Professors should not be the only ones to sit around and decide what we need. That happens to be a peer review system largely transferred over to agriculture, and we know that in the peer review system the peers make sure their projects are reviewed before any others.

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

Mr. SMITH of Iowa. I yield to the gentleman from Illinois.

Mr. FAWELL. Mr. Chairman, I simply would point out that I agree with much of what the gentleman says. I want to make it very clear that I am not in any way attacking the substance of these research projects. The point I am trying to make is that there never was a hearing, there never was a competitive awarding, and there never was an authorization. That is all I am saying.

Mr. SMITH of Iowa. There was no hearing by the group you wanted to hear it but there were hearings. These have all been discussed two or three times.

Mr. FAWELL. Mr. Chairman, will the gentleman yield further?

Mr. SMITH of Iowa. I yield to the gentleman from Illinois.

Mr. FAWELL. I just beg to differ on the point of any hearings whatsoever.

Mr. SMITH of Iowa. We had hearings.

Mr. FAWELL. There were no authorization hearings whatsoever. The specificity of these grants is not in agreement.

Mr. SMITH of Iowa. The program was authorized.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. SMITH] has expired.

(On request of Mr. FAWELL and by unanimous consent, Mr. SMITH of Iowa was allowed to proceed for 2 additional minutes.)

Mr. FAWELL. Mr. Chairman, if the gentleman would continue to yield, I simply want to point out that the actual specificity of these research grants to which we make our reference actually never had any kind of a hearing. It was the report language where they were specified, and there never was any competitive awarding and there was never any science peer re-

view, which is specified in the national initiative.

But that is what I am talking about. I am saying that if these are good projects, they can stand the light of day and they can go into the competitive research program of the Department of Agriculture, which I laud.

Mr. SMITH of Iowa. Mr. Chairman, I take back my time. If there is anything the people of the United States of America are tired of, it is people talking about the technicalities of how to proceed to accomplish something in the Congress. What difference does it make how we proceed? The fact of the matter is that they are good projects. That is what people are interested in. The substance is good. Never mind the technicalities of whether one committee handled it or some other committee. People are tired of that kind of nonsense. They want us to get to work down here and accomplish the things that need to be done in this country. This is an example of doing those kinds of things.

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

Mr. SMITH of Iowa. I yield to the gentleman from New York.

Mr. MCHUGH. Mr. Chairman, I thank the gentleman for yielding.

I would like to respond briefly to some of the questions the gentleman from Illinois raised. First of all, special grants are authorized. They are not authorized on a grant-by-grant basis, but there is legal authorization for special grants. Therefore, all these grants are authorized.

Second, I would refer the gentleman to the hearing record of our subcommittee in which each of these grants is discussed. I am not sure that it answers every question the gentleman might have about each grant, but nonetheless the point is that our hearing record does include reference to each of the grants that we are providing funds for here.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. SMITH] has again expired.

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

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

Mr. SMITH of Iowa. I yield to the gentleman from New York.

Mr. MCHUGH. Finally, Mr. Chairman, I would say to the gentleman that there is a difference in the type of research that is done by the competitive grants and by special grants. If I may have the attention of the gentleman, let me say that competitive grants are in the nature of basic research, and I support the competitive grant program, as the gentleman does, because I think it is important for our country's research effort. These special grants are grants for applied research.

They are designed to resolve a particular question, not so much in the nature of basic research but applied research. Therefore, they are of a different nature than competitive grants.

Finally, I would say that some of these special grants which are applied research grants are in fact awarded competitively by the Department. They are not all put in this bill because of a particular interest on the part of a college back home or a research effort back home. Some of the grants are awarded by the Department on a competitive basis.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. SMITH] has again expired.

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

Mr. FAWELL. Mr. Chairman, will the gentleman yield further?

Mr. SMITH of Iowa. I yield to the gentleman from Illinois.

Mr. FAWELL. Mr. Chairman, it is true, of course, that there is an authorization statute that does authorize these grants, but nowhere at any time has there ever been any hearings in reference to the authorizing of these specific grants. That is a point that I think is very important. As to the hearings which have taken place here, no real hearings, I am told, ever took place. They have had sort of mock hearings where we had the Department prepare questions and answers, but no hearings have ever taken place. I think if you will check the record, you will find that that is quite accurate.

Third, on these grants, unlike the other grant programs that the Department has, there is no peer review, there is no scientific input whatsoever. These are special research grants that, as a practical matter, are handled in this way. I understand how the system works. I do not mean to criticize any particular person, but it goes to those in the committee who have some time here, some years, and it is done that way. But there is no real review or analysis, and we have a \$400 billion deficit because we are doing these special things for ourselves. I think we should take this type of criticism and say, yes, we ought to certainly follow the process used in the competitive program. Whether it is basic research or applied research, it should be the same.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. SMITH] has again expired.

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

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

Mr. SMITH of Iowa. I yield to the gentleman from New York.

Mr. MCHUGH. Mr. Chairman, I thank the gentleman for yielding.

First of all, let me be clear about this. The hearings we held in the sub-

committee were not mock hearings. Those are real hearings. We have witnesses that come before us. We ask the witnesses questions for the agencies. It is certainly true that in our hearings we do not ask the witnesses about each of these particular projects, many of which are ongoing projects that were commenced in earlier years. But it is true that with respect to each project we have submitted to the agency particular questions which elicit information about the projects, and we include that information in the hearings so that not only the gentleman but everybody else in this body can have an opportunity to learn about the individual projects.

The gentleman is not questioning any individual project. He is in a blunderbuss way suggesting that all of these projects, every single one of them, are pork barrel projects and that simply is not the case.

□ 1330

Mr. FAWELL. Mr. Chairman, if the gentleman would yield further, I tried to make it clear I am not suggesting that these projects are substantively pork-barrel projects, but rather they are procedural pork. I have here copies of the so-called hearings. There are questions and answers.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. SMITH] has again expired.

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

Mr. SMITH of Iowa. Mr. Chairman, I yield to the gentleman from Illinois [Mr. FAWELL].

Mr. FAWELL. Mr. Chairman, I have been told there are no more hearings.

Mr. MCHUGH. Mr. Chairman, if the gentleman would yield further, I would simply indicate to the gentleman from Illinois [Mr. FAWELL] that this is the hearing record. If the gentleman would like to read it, it would reflect the questions and answers with respect to each of the projects. I do not know what the gentleman has in his hands, but this is the official hearing record, which is considerably thicker than what the gentleman has and it deals with each particular project.

Mr. FAWELL. Mr. Chairman, if the gentleman will continue to yield, was there competitive awarding? Was there scientific peer review as in the other programs?

Mr. MCHUGH. Mr. Chairman, I have explained the difference between those two programs.

Mr. FAWELL. I understand that. Whether it is applied research, which is the most questionable form of Federal subsidy anyway, we still should have obviously, competitive awarding.

Mr. SMITH of Iowa. Mr. Chairman, reclaiming my time. I understand what the gentleman would like to do. He would like to reach some pork barrel

projects. But he has selected the wrong place to look. These are important projects. Not one of them is a new project. They are important projects, and this is just not the place to try to save a few nickels at the expense of the future of this country.

Mr. PRICE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am getting a little weary and I suspect a number of other Members are as well of this constant attack on agricultural research. It is easy to make fun of strange sounding research projects. The gentleman offering this amendment makes sneering references to animal waste research, as though that is supposedly somehow laughable or trivial.

The President, to his discredit, did that in his rescission bill a few months ago. He sent up some funny sounding studies, asking they be rescinded.

It is always good for a laugh, I suppose, to single out agricultural research projects and to trivialize them and to make fun of them, and hold this up as an example of wasteful Federal spending.

Mr. Chairman, I had an interesting experience a few nights ago. I was speaking to a dinner at the school of veterinary medicine in my district, talking about the funding pressures that we are experiencing in this body and about agricultural research.

I started to read from that list of projects that the President was proposing to rescind. I think it is fair to say in most audiences titters would have begun as I read that list of funny sounding studies. But, you know, not one sound was heard as I read down that list.

I turned to the audience and I said to them, "You see what we are dealing with here. We are dealing with studies, every one of which is significant, every one of which you understand the importance of. Yet this is the hit list. This is the politically motivated hit list, and we are making these spending decisions based on somebody's cheap shots."

So this agricultural research is important, it is vital, it is an investment in our future. It is easy to take the cheap shots. But the fact is, as has already been stressed, this list of research projects is funded at a \$57 million level, which is down from a \$73 million level in fiscal 1992.

It is also true there are no new starts on this list, no new funding. It is a very austere list, it is a responsible list, and this research effort is an investment in our future. We ought to be able to do better in this body than to trivialize this type of research.

Mr. Chairman, I therefore strongly oppose this amendment.

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

Mr. PRICE. I yield to the gentleman from Illinois.

Mr. FAWELL. Mr. Chairman, the gentleman made one reference to cheap shots, and I certainly did not mean to imply that. I tried to reiterate over and over again I am not questioning the substance of these measures. There are a lot of laudable programs there.

What I am trying to suggest is all of us are going to have to learn anew that there are priorities among good programs, and we have to look at what is nationally significant.

Basic research is much more nationally significant than applied research and things of this sort. But each time one gets up and tries to point out these things, oftentimes that is the reply.

The gentleman from Iowa said, we are just dealing with a few nickels here. But we are dealing with \$57 million. It is not big in terms of a \$1.6 trillion budget, but it is very important. If we cannot take these toddling steps, we are never even going to be able to nick away at that deficit. That is all I am suggesting.

Mr. PRICE. Mr. Chairman, reclaiming my time, I have never minimized the amount of money involved here. On the contrary, I have stressed, as the subcommittee has stressed, the need for economies in this area and other areas.

I have, however, pointed out that this area of research is funded at a \$57 million level, down from \$73 million last year. The gentleman from New York [Mr. MCHUGH] has already pointed out the kind of hearing process we have been through, the kind of review process the subcommittee has undertaken.

This is just not as promising a target as the proponents would have us believe. This is solid research, a sound investment, and I urge this amendment be defeated.

Mr. DURBIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to second the comments of my colleague from North Carolina [Mr. PRICE]. There are a lot of giggles and titters when you hear my colleague from Illinois [Mr. FAWELL] get up and talk about manure research and that sort of thing. I really think that cheapens and diminishes the character of this debate.

Mr. Chairman, we are really talking about food and fiber production for the Nation. We are talking about the production of agriculture, which is central to our economy and certainly to the home State of the gentleman from Illinois [Mr. FAWELL] and myself.

Let me say at the outset that there are no new research projects in this bill. There is nothing in this bill in the research area relative to my congressional district.

Finally let me add to my colleague from Illinois [Mr. FAWELL], we have cut 25 percent of last year's spending on these research projects because of our deficit situation.

The gentleman from Illinois [Mr. FAWELL], who has offered this amendment, suggests that we have had mock hearings. I have to tell the gentleman I take exception to that. I think my colleague from New Mexico would join me.

I wish the gentleman from Illinois [Mr. FAWELL] could have attended 5 minutes of those so-called mock hearings and heard the testimony which the subcommittee entertained in order to consider these projects and the funding levels that were appropriate. Perhaps if the gentleman had attended even 5 minutes of those so-called mock hearings, he might have a different impression of what the subcommittee has been trying to do.

Let me talk about specifics here that I think are very important. In the first instance there is \$134,000 for aflatoxin research. I do not know if that made the gentleman's list of so-called pork buster projects. I suppose it did.

I would say to the gentleman that when the Assistant Secretary of Agriculture, Dr. Plowman, was asked to comment on this particular research, he said, quoting from one of our so-called mock hearings, according to my colleague,

It has had a big impact. We have had numerous conversations and conferences on the aflatoxin problem itself and have a research program to address that. It is costing the corn production industry a lot of money. It drives up the cost of corn and drives up the cost of meat as a consequence.

Mr. Chairman, I am sure my colleague, the gentleman from Illinois [Mr. FAWELL], Illinois being an agricultural State, follows closely what is happening in our corn production this year.

Illinois is No. 2 in the Nation behind Iowa. We are facing a drought. We are again facing the prospect of an aflatoxin outbreak that could cost Illinois corn producers and farmers across the Nation literally millions of dollars.

Surely my colleague, the gentleman from Illinois [Mr. FAWELL], the No. 2 corn producing State in the Nation, understands the critical importance of aflatoxin research. And does my colleague from Illinois know how much we are asking for? The sum of \$134,000 for this aflatoxin research.

Mr. Chairman, last week my colleague had an opportunity to cut \$450 million out of the Texas super collider. He said no. As a matter of priorities, he said that is important. But today the gentleman would stand to cut \$134,000 out in corn research for his own home State of Illinois.

This is a little difficult for me to follow. Let me add, too, that the gentleman suggests that we should be cutting many other areas. The gentleman has suggested that we ought to be cutting research into ground water contamination.

The gentleman is fortunate to live in a suburban town in Illinois. Those of us

who live in downstate and rural Illinois understand the critical importance of ground water contamination and the importance of determining agricultural techniques which will protect water sources. That is why we had hearings and that is why we reached the conclusion that this was worth funding, \$125,000 in funding for research.

□ 1340

The gentleman from Illinois, my colleague who offers this amendment, resisted efforts last year to cut the space station, an \$8 billion project. And yet today he wants to cut \$125,000 in research for ground water contamination. If he is driven, as he said, not by the merits of the project but by the deficit, I wonder where his fervor was when we considered the collider and the space station and the star wars program that the gentleman refused to cut 2 weeks ago by \$1 billion.

I would say to the gentleman, it is truly a question of priorities. These priorities reflect the fact that we have a deficit. We have reduced the amount of money in agricultural research by 25 percent. We are putting it in areas absolutely essential for the production of food and fiber in America.

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

Mr. DURBIN. I yield to the gentleman from Illinois.

Mr. FAWELL. Mr. Chairman, I do not know how many times I have to repeat the point that is very simple, if I have not done a good job in getting it across. I am simply expressing the fact that whether it is the superconducting super collider or whether it is for a research project in agriculture, I am asking only one simple thing.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. DURBIN] has expired.

(By unanimous consent, Mr. DURBIN was allowed to proceed for 2 additional minutes.)

Mr. FAWELL. Mr. Chairman, if the gentleman will continue to yield, and that is in any instance, whether it is the super collider or the space station or whatever it may be, we should all say that a simple thing we can adopt is that there ought to be hearings, authorized hearings in regard to the specific spending project that is involved and there ought to be simple peer review and there ought to be competitive bidding. Local school districts do this.

Mr. DURBIN. Mr. Chairman, reclaiming my time, the point I have made in my statement is that we have gone through hearings. We are debating a project that is authorized. For example, an aquaculture project is included in his list of cuts. The gentleman misspoke earlier when he said it is an unauthorized project. It is authorized in the farm bill. It was put there by our present Secretary of Agriculture, Mr. Madigan. It benefits the district of the

gentleman from Illinois [Mr. EWING], the gentleman's neighbor. It is an important element in research. It has gone through the process. Yet the gentleman attempts to take agricultural research and look at it much more closely than when it comes to cutting funds for the super collider, which he refused to do a week ago, or cutting funds for the space station, which he refused to do last year, or cutting funds for the Star Wars Program, which he refused to do 2 weeks ago.

Why is it when it comes down to \$57 million, the gentleman can work up this head of steam, but when it comes to billions of dollars in cuts, the gentleman is nowhere to be found.

Mr. FAWELL. Mr. Chairman, if the gentleman will continue to yield, if I have not gotten that point across yet, I never will.

Mr. DURBIN. Mr. Chairman, I do not think the gentleman will be able to.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this is an interesting debate, and I do not intend to come here trying to talk about particular research. I obviously am someone who comes to the floor fairly consistently in support of doing research for the country. I think it is important that we have a research base for this country in order to have a viable agriculture industry, in order to have a viable industrial economy. Research is an important component part of that.

What I do challenge are the statements I heard a couple of minutes ago that virtually all this research had been subjected to good, stiff hearings and that all of it is absolutely meritorious and absolutely demands our funding despite the fact that we have a \$400 billion deficit and a \$4 trillion debt.

I took up the gentleman's challenge to take a look at the hearing record. When I go through the hearing record, I find out that the hearing record was not adversarial at all. In fact, the hearing record consists of one person, a Dr. Jordan telling the committee what each of these research projects is doing.

I cannot find anything in the hearing record where anybody even challenges Dr. Jordan, even asked him any questions. This is not an adversarial proceeding. These projects were not given very, very tight scrutiny. And let me talk about a couple of projects that I just picked off the list out of the committee report and then looked up in the hearing record. I just want the Members to know what it is that is down in this list that the committee regards as absolutely vital to spend money on and what the hearing record says about them.

The first one I just happened to pick off the list is mink research. Here is what the hearing record said about the mink research which is going to go on.

Dr. Jordan was asked, "Where will this work be carried out?"

Dr. Jordan: "Research will be conducted at Oregon State University."

The gentleman from New York [Mr. MCHUGH] says, "What will be the objectives of this research?"

Here is what we are going to fund, folks. This is what we are spending deficit money on. And I quote Dr. Jordan: "The research has not yet been initiated."

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

Mr. WALKER. I yield to the gentleman from Illinois.

Mr. DURBIN. Mr. Chairman, how much money is being spent on this?

Mr. WALKER. Mr. Chairman, I think 46, whatever the 46 relates to. Is that billion?

Mr. DURBIN. Mr. Chairman, if the gentleman will continue to yield, \$46,000.

Mr. WALKER. Mr. Chairman, that is fine. We are about to have another bill come here in a few minutes where the Democrats are going to line up in concert and cut \$86 million out of the Competitiveness Council; \$86 million is going to come out of the Competitiveness Council, and we are going to have a real wing-ding out here later on today. So \$46,000 might make up a little of that.

Here is what the money is going for. Dr. Jordan:

The research has not yet been initiated, but experiments are currently being designed to study aspects of the utilization of squawfish in mink diet. Arrangements are being made with the Oregon Fish and Wildlife Service to obtain the fish. Trials with young mink kits will involve feeding high levels of squawfish, up to 40 percent of their diet. Their responses will be assessed through growth data and the color and quality of their pelt.

Now, folks, that is what we are going to take \$46,000 of taxpayers' money and spend it for.

Now, that may be a good, worthwhile thing to do. I am not certain that it is something that we ought to spend \$46,000 on. That is a full salary of a couple of people in my district for 1 year.

I looked to make certain that we did not just have one program like this. I took another look. Here is something called the Rural Policies Institute. The Rural Policies Institute was also quizzed on Dr. Jordan. The gentleman from New York [Mr. MCHUGH] asked him, "Where is this work being carried out?"

Dr. Jordan said, "Research is being conducted at the University of Missouri, the University of Arkansas, and the University of Nebraska."

The gentleman from New York [Mr. MCHUGH]: "What has been accomplished to date?"

I want my colleagues to listen to this. This is a great explanation of just exactly the kind of thing the American people are most fearful of.

Dr. Jordan:

Through the use of typical community analyses, the consortium will be able to provide estimates of the impacts of programmatic proposals prior to their implementation and funding. To accomplish this primary analysis will require a concentrated database and input from experts outside the three institutions involved. First-year funding has been directed to solving these operational problems. Thus the first year's accomplishments lie mainly in the development of an appropriate organizational structure and operational procedures to make the policy analysis work.

Folks, we are spending \$525,000 on that. And what did he say? I have absolutely no idea what that means.

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

Mr. WALKER. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, the gentleman mentioned the Rural Policy Development?

Mr. WALKER. Mr. Chairman, this is the Rural Policies Institute.

Mr. SKEEN. Mr. Chairman, if the gentleman will continue to yield, how much is it funded for?

Mr. WALKER. Mr. Chairman, \$525,000.

Mr. SKEEN. Mr. Chairman, no, nothing.

Mr. WALKER. Well, I have it on, I have \$525,000, and I have the money spread out in 1993.

Mr. SKEEN. Mr. Chairman, look at 1993. I think the gentleman will find that it is not funded.

Mr. WALKER. Mr. Chairman, the line goes clear through here.

Mr. SKEEN. Mr. Chairman, the line went clear through and beyond. Why does the gentleman not take another look at it?

Mr. WALKER. So that is one we cut?

Mr. SKEEN. Mr. Chairman, no, it just does not have any funding.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

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

Mr. WALKER. Mr. Chairman, it is listed in here as a funded program, as I understand it.

Mr. SKEEN. Mr. Chairman, if the gentleman will continue to yield, it was funded last year.

Mr. WALKER. It was funded last year. Why was this program cut out then? Is it because this explanation was not adequate to the committee?

Mr. SKEEN. Maybe that is the scrutiny that the gentleman was talking about.

Mr. WALKER. That is what I am trying to figure out. As I understand it, all of these programs that are still in here are authorized. Does that mean that the funding is going to continue for them? Is this program going to get any money?

Mr. SKEEN. Mr. Chairman, the Institute that the gentleman is talking

about, as far as I know at this point, no.

Mr. WALKER. So the University of Missouri, the University of Arkansas and the University of Nebraska will get no money this year? That is a part of the hearing record. They will receive absolutely no money.

Mr. SKEEN. If this bill is passed.

Mr. WALKER. If this bill is passed. But the mink research will get money.

Mr. SKEEN. Mr. Chairman, we will send the gentleman one.

Mr. WALKER. The gentleman is going to send me a mink, after it has been pelted?

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

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

□ 1350

Mr. MCHUGH. The gentleman from Pennsylvania [Mr. WALKER] is batting 100 percent. Mink research is not funded, either.

Mr. WALKER. I must be misreading the report. Where the lines go clear through here, it appears to me as though that means that they continued to be funded.

Mr. MCHUGH. No.

Mr. WALKER. That is not the case? I thank the gentleman.

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

Mr. Chairman, I rise in opposition to the amendment. I think we have discussed it thoroughly, and so forth.

Let me make one comment, that first of all, this committee has taken its responsibility very seriously in these cooperative grants. Before we had this competitive grant system it had fallen into the position of being funded to about four to five major universities in this country, until we came up with the cooperative grants that we have initiated. Since that, it has spread the research, because there is no nationwide implication in each one of these particular projects. They are of a very specific nature in some areas, but then they are all important parts of the United States, given as a whole. It has spread that research across the United States. It has produced very important programs, very worthwhile programs.

Those that are not worthy of being funded have not been funded. They are scrutinized scrupulously each time that we go through the process of the subcommittee, Subcommittee on Rural Development, Agriculture and Related Agencies of the Committee on Appropriations, and I think that what we have done here is we are looking for something that is just not there.

I think it is a worthwhile effort to cut the expenses in funding government, and that is a worthwhile endeavor. I laud and applaud that, but I would say to the gentleman, they are barking up the wrong tree.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. FAWELL].

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 126, noes 295, not voting 13, as follows:

[Roll No. 243]

AYES—126

Allard	Goss	Owens (UT)
Allen	Gradison	Oxley
Andrews (NJ)	Hancock	Packard
Andrews (TX)	Hansen	Pallone
Archer	Hefley	Patterson
Army	Herger	Payne (VA)
Atkins	Hobson	Penny
Ballenger	Hopkins	Petri
Bart	Horn	Porter
Bennett	Hunter	Ramstad
Bentley	Hutto	Ravenel
Bilirakis	Hyde	Ray
Broomfield	Inhofe	Rhodes
Bunning	Ireland	Riggs
Burton	James	Rinaldo
Callahan	Johnson (CT)	Ritter
Campbell (CA)	Johnson (SD)	Rohrabacher
Cardin	Johnson (TX)	Ros-Lehtinen
Carper	Johnston	Roth
Clement	Kasich	Santorum
Coble	Klug	Schaefer
Condit	Kolbe	Schulze
Cooper	Kyl	Schumer
Cox (CA)	Lagomarsino	Sensenbrenner
Crane	Lent	Shaw
Cunningham	Lewis (FL)	Shays
Dannemeyer	Lloyd	Shuster
DeLay	Luken	Solomon
Dickinson	McCandless	Staggers
Doolittle	McCollum	Stenholm
Dornan (CA)	McCreery	Stump
Dreier	McGrath	Sweet
Duncan	McMillan (NC)	Taylor (NC)
Erdreich	Meyers	Thomas (CA)
Fawell	Miller (OH)	Thomas (WY)
Fish	Miller (WA)	Walker
Franks (CT)	Molinari	Walsh
Gallegly	Moorhead	Weldon
Gaydos	Murphy	Wyllie
Gillmor	Nichols	Young (FL)
Gingrich	Nussle	Zeliff
Glickman	Orton	Zimmer

NOES—295

Abercrombie	Campbell (CO)	Edwards (CA)
Ackerman	Carr	Edwards (OK)
Alexander	Chandler	Edwards (TX)
Anderson	Chapman	Emerson
Andrews (ME)	Clay	Engel
Annuzio	Clinger	English
Anthony	Coleman (MO)	Espy
Applegate	Coleman (TX)	Evans
Aspin	Collins (IL)	Ewing
AuCoin	Collins (MI)	Fascell
Bacchus	Combest	Fazio
Baker	Conyers	Feighan
Barnard	Costello	Fields
Barrett	Coughlin	Flake
Bateman	Cox (IL)	Foglietta
Bellenson	Coyne	Ford (MI)
Bereuter	Cramer	Ford (TN)
Berman	Darden	Frank (MA)
Bilbray	Davis	Frost
Blackwell	de la Garza	Gallo
Bliley	DeFazio	Gejdenson
Boehlert	DeLauro	Gephardt
Boehner	Dellums	Geran
Borski	Derrick	Gibbons
Boucher	Dicks	Gilchrest
Boxer	Dingell	Gilman
Brewster	Dixon	Gonzalez
Brooks	Donnelly	Goodling
Browder	Dooley	Gordon
Brown	Dorgan (ND)	Grandy
Bruce	Downey	Green
Bryant	Durbin	Guarini
Bustamante	Dwyer	Gunderson
Byron	Early	Hall (OH)
Camp	Eckart	Hall (TX)

Hamilton	McNulty	Saxton
Hammerschmidt	Mfume	Scheuer
Harris	Michel	Schiff
Hastert	Miller (CA)	Schroeder
Hatcher	Mineta	Serrano
Hayes (IL)	Mink	Sharp
Hayes (LA)	Moakley	Sikorski
Henry	Mollohan	Siskisky
Hertel	Montgomery	Skaggs
Hoagland	Moody	Skeen
Hochbrueckner	Moran	Skelton
Holloway	Morella	Slatery
Horton	Morrison	Slaughter
Houghton	Mrazek	Smith (FL)
Hoyer	Murtha	Smith (IA)
Hubbard	Myers	Smith (NJ)
Hughes	Nagle	Smith (OR)
Jacobs	Natcher	Smith (TX)
Jefferson	Neal (MA)	Snowe
Jenkins	Neal (NC)	Solarz
Jones (NC)	Nowak	Spence
Jontz	Oakar	Spratt
Kanjorski	Oberstar	Stallings
Kaptur	Obey	Stark
Kennedy	Olin	Stearns
Kennelly	Oliver	Stokes
Kildee	Ortiz	Studds
Kleczka	Panetta	Sundquist
Kolter	Parker	Swift
Kopetski	Pastor	Synar
Kostmayer	Paxon	Tallon
LaFalco	Payne (NJ)	Tanner
Lancaster	Pease	Tauzin
Lantos	Pelosi	Taylor (MS)
LaRocco	Peterson (FL)	Thomas (GA)
Laughlin	Peterson (MN)	Thornton
Leach	Pickett	Torres
Lehman (CA)	Pickle	Torricelli
Lehman (FL)	Poshard	Towns
Levin (MI)	Price	Trafficant
Lewine (CA)	Pursell	Unsoeld
Lewis (CA)	Quillen	Upton
Lewis (GA)	Rahall	Valentine
Lightfoot	Rangel	Vander Jagt
Lipinski	Reed	Vento
Livingston	Regula	Visclosky
Long	Richardson	Volkmer
Lowey (NY)	Ridge	Vucanovich
Machtley	Roberts	Washington
Manton	Roe	Waters
Markey	Roemer	Waxman
Marlenee	Rogers	Weber
Martin	Rose	Weiss
Martinez	Rostenkowski	Wheat
Matsui	Roukema	Whitten
Mavroules	Rowland	Wise
Mazzoli	Roybal	Wolf
McCloskey	Russo	Wolpe
McCurdy	Sabo	Wyden
McDade	Sanders	Yates
McDermott	Sangmeister	Yatron
McEwen	Sarpalius	Young (AK)
McHugh	Savage	
McMillen (MD)	Sawyer	

NOT VOTING—13

Bevill	Huckaby	Traxler
Bonior	Jones (GA)	Williams
Dymally	Lowery (CA)	Wilson
Gekas	Owens (NY)	
Hefner	Perkins	

□ 1412

Messrs. THORNTON, SAXTON, GALLO, BOEHNER, and EDWARDS of Oklahoma changed their vote from "aye" to "no."

Messrs. RAY, RIGGS, HERGER, and DUNCAN changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. JONTZ

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

The Clerk read as follows:

Amendment offered by Mr. JONTZ: Page 15, line 9, strike "\$57,668,000" and insert "\$54,068,000".

Page 16, line 13, strike "\$6,725,000" and insert "\$10,333,000".

Mr. JONTZ. Mr. Chairman, this amendment goes to the question of what the priorities will be for the agricultural research that will be funded in this bill.

Regrettably, the gentleman from New York raised a point of order when I offered an amendment a few minutes ago. So I rewrote that amendment to strike 10 percent of the funds for the individual noncompetitive grants that are outlined in the committee report that we saw just a few minutes ago and used that money, which is a little more than \$3 million, to increase the appropriation for the sustainable agriculture research and education program.

Mr. Chairman, it seems to me that the national needs with regard to agricultural research should come first, and this particular program has struggled along with very minimal funding. That is regrettable, because on the farm today there is a critical need for us to provide for farmers information about how they can conduct their farming practices in a more environmentally sensitive way. That is what this program would do.

It is a competitive grant program. It is the only Federal research and education program that focuses solely on sustainable agricultural systems and practices. It combines extensive farmer participation, intensive integration of research and preference for whole farm systems projects, and a partnership philosophy joining public agencies and private research.

The Congress, in 1990, authorized this program at \$40 million. The bill that comes before us is \$6.7 million. I seek to increase that by about \$3 million, which would be just about a 50-percent increase.

With the total Federal Department of Agriculture investment in research and extension at \$1.65 billion, even were we to fund this program at the full authorization level, we would only be talking about 2½ percent of the total. As it is, the current level of funding represents less than one-half of 1 percent of the total of agricultural research.

I want to repeat that point: At the current level of funding, the money that we have in the research and extension section of this bill for sustainable agriculture is less than one-half of 1 percent.

My amendment would increase that, and we would still be talking about less than 1 percent of the research money in this bill. Despite the fact that researchers have been discouraged from submitting proposals for this sustainable agricultural research program, the program has been able to fund less than 7 percent of the total number of preproposals submitted and less than 25 percent of the proposals that are requested to be made full proposals, and this would allow us to do much better.

Mr. Chairman, we face some very serious challenges in agriculture. We must find the means to produce the food and fiber that this country needs with less impact on the environment. Producers want to do it; consumers want to do it; this Congress wants to do it. If we do not fund the research necessary to give farmers the information they need to change their agricultural practices, then we will not see those changes made.

□ 1420

In the 1990 farm bill, we took what I would consider to be a relatively gentle approach to dealing with environmental issues. We said that we are going to provide incentives. We are going to fund research. We are going to fund extensions. We are going to give farmers a helping hand to make these changes. But if we do not fund them, farmers are not going to be able to make the changes and we are going to be back on the floor of this House in just a couple years considering the next farm bill and we will be voting on mandatory regulations for the agricultural producers of this country with regard to these environmental standards. If we do not do the research if we do not have the extensions—which I might add is not funded in this bill at all; no sustainable extension is part of this bill—if we do not provide the help to the producers that they need, we are going to have to face a different approach dealing with these environmental concerns.

So, Mr. Chairman, I would urge the committee to recognize the need to make sustainable agriculture a higher priority research than it is. All we are doing is taking 10 percent off all these earmarked individual grants that we have just been debating, noncompetitive, and putting them into the competitive grants program environmental sustainable agricultural research and education.

This is the direction we should be going in agricultural research. We are nowhere near the \$40 million level of authorization. We are just providing a token increase for this very important appropriation.

Mr. MCHUGH. Mr. Chairman, I rise in opposition to the amendment. I do so reluctantly again because, as the gentleman from Indiana has pointed out, the sustainable agriculture program is important.

Unfortunately, there is simply not enough money to do the things that need to be done in agriculture, including agricultural research. That is true not only of the Agriculture appropriations bill but many of the other appropriation bills that will be coming to the floor.

What the gentleman seeks to do, as he indicated, is to cut by 10 percent the research grants what we debated on the last amendment. As we pointed out at

that time, we have already in committee reduced these special research grants for agriculture by about 25 percent. We reduced the amount of money by over \$15 million.

I know that there are many Members in this body who approached our committee with legitimate and valid research proposals which we simply could not fund.

In this bill we are not providing any new money for new research programs or projects. Indeed, as I have indicated, we have already cut \$15 million-plus from last year's number for these projects.

The gentleman's amendment would cut these agricultural projects by 10 percent more. For the same reasons that we argued in the last amendment, I would urge the Members to reject this amendment.

The second part of the gentleman's amendment would increase the account for sustainable agricultural research and education.

Now again, I am not arguing the merits of that program. What I am arguing is that when we are faced with very tight ceilings on the budget, we simply had to adopt an approach in this bill which limited virtually all programs to last year's amount, or in some cases less than last year's amount. That is true of this account. We have provided in this account the same amount of money as was appropriated last year, not because we do not think the program is worthwhile but because we are faced with very stringent budget ceilings.

If the gentleman's amendment were to pass, this would be one of the very few programs, and perhaps the only one which is not associated with human health, that would be increased above last year's level. While it is a good program, I think it is not strong enough to be made an exception to the general rule we had to follow to maintain our commitment to the budget ceiling.

I would remind the Members, Mr. Chairman, that we are \$1.4 billion below the President's request, so the committee has used very stringent standards in writing this bill.

So far all those reasons, Mr. Chairman, I would urge the Members to reject the amendment, not on the merits of the program which the gentleman is attempting to increase, but in recognition of the budget constraints.

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

I, too, rise in opposition to the amendment.

Sustainable agriculture is a marvelous idea, worthwhile funding and so forth, but it is a narrow application versus a broad-based approach. The broad-based approach we have now and the way we have funded these special research grants I think is a better approach, because we have cut them 25 percent. To take another 10 percent off

would narrow it even more, and I think that would be the wrong thing to do.

Mr. Chairman, I oppose the amendment.

Mr. MYERS of Indiana. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, your committee has attempted to prioritize the limited dollars we have. As the acting chairman of our committee, the gentleman from New York [Mr. MCHUGH] has said, all are good programs, but particularly to strike the money from the contracts and grants for agricultural research would be the wrong thing to do.

I cannot speak for many of the programs, but I can speak about one that I am quite familiar with. That is the one at Purdue, the Midwest Plant Biotechnology Consortium. In this matching dollars from industry with dollars from these funds at Purdue, provide grants to do research on developing better plants so they can withstand the insects, the drought, maybe even the frost that hit Indiana. I may be a little optimistic, but there is a possibility that we can develop strains of corn and soybeans in the future that will be able to withstand this kind of weather.

Helping farmers to be more competitive in the world in order to make a profit, this is what this money goes for.

Now, I am totally opposed to the program the gentleman would add the money to, but to do the research in that area, starting from scratch today as we pretty much are doing, we are just not serving the best interests of agriculture.

If we really want to help farmers, and I think that is what this bill is all about, helping the consumers through farmers, making farmers able to be productive, to produce more for less and to withstand the elements of weather and insects and all the other obstacles that farmers have to contend with, this type of research the gentleman would be taking money from would make the farmers' job even more difficult than it is today. I think it would be a mistake.

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

Mr. MYERS of Indiana. I yield to my friend, the gentleman from Indiana.

Mr. JONTZ. I would think, Mr. Chairman, that the grant the gentleman speaks of could absorb a 10-percent cut, as could other grants on here that would be funded, but I would disagree with the gentleman that by spending money to help agricultural producers use their resources more efficiently that we are making things more difficult for them. I think quite on the contrary.

Mr. MYERS of Indiana. When did I say that?

Mr. JONTZ. The research that would be funded under the sustainable agricultural program would help agricultural producers to use resources more efficiently.

So I would hope the gentleman would agree with me that that would not be an obstacle to agricultural producers at all, but rather would be a help to them.

Mr. MYERS of Indiana. It may not be, but for the dollar, for the bang for the buck, we know we would get more out of this program that is an ongoing program of supporting institutions like the Biotechnology Center who are actually doing work today, ongoing work for the last 5 years, increasing productivity, making plants that will withstand the elements better, we know there we are getting more.

Now, to talk about the other program that we are looking to the future sometime, but for some reason you can cut the first program that is an ongoing program by 10 percent, but we funded the sustainable agricultural research at last year's level. I see nothing wrong with this. I think we did the right thing.

Mr. JONTZ. Mr. Chairman, if the gentleman will yield one more time, I appreciate the fact that many of our colleagues, many Members come before the committee. They have their different proposals. They may sound strange to some of us when we read through the list. We have blueberry research. We have got dairy goat research. We have got filbert blight. You can go through the list, it is a long list.

I appreciate the fact that the chairman of the subcommittees want to accommodate every Member; but my argument is that when we do that at the expense of important national research goals, that we are neglecting something important, and this is shortsighted.

I appreciate the research being done at Purdue University is very important.

Mr. MYERS of Indiana. There are some other places, too, besides Purdue, but I am familiar with Purdue because I have watched it there.

I will say this, that if I have to make a decision between voting for farmers out there who are struggling to make it today and voting for the environmentalists, I am going to vote for the farmers.

Mr. JONTZ. Mr. Chairman, if the gentleman will yield on that point, that is a unfair characterization. My proposal is not money for the environmentalists.

□ 1430

Mr. MYERS of Indiana. What about the agricultural research?

Mr. JONTZ. If the gentleman would let me finish.

Mr. MYERS of Indiana. Well, it is my time, but I will let the gentleman finish, yes.

Mr. JONTZ. The purpose of the research is to give information to farmers so that they can make changes in their management practices to produce

the food and fiber this country needs with more sensitivity to the environment.

We are not doing this for the environmentalists; we are doing this for agriculture. I am sorry the gentleman does not see it that way, because the alternative is going to be a regulatory approach toward these issues, which the gentleman's producers and my producers are going to have a lot of trouble with.

Mr. MYERS of Indiana. The gentleman will get a chance on the next bill this afternoon which is coming up about helping people on rules and regulations. I hope the gentleman will vote with us then.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. JONTZ].

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

Mr. MCHUGH. Mr. Chairman, I ask unanimous consent that the remainder of title I be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The text of the remainder of title I is as follows:

BUILDINGS AND FACILITIES

For acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities and for grants to States and other eligible recipients for such purposes, as necessary to carry out the agricultural research, extension, and teaching programs of the Department of Agriculture, where not otherwise provided, \$33,611,000, to remain available until expended (7 U.S.C. 2209b).

EXTENSION SERVICE

Payments to States, Puerto Rico, Guam, the Virgin Islands, Micronesia, Northern Marianas, and American Samoa: For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended, to be distributed under sections 3(b) and 3(c) of said Act, for retirement and employees' compensation costs for extension agents and for costs of penalty mail for cooperative extension agents and State extension directors, \$262,712,000; payments for the nutrition and family education program for low-income areas under section 3(d) of the Act, \$60,525,000; payments for the urban gardening program under section 3(d) of the Act, \$3,557,000; payments for the pest management program under section 3(d) of the Act, \$8,200,000; payments for the farm safety and rural health programs under section 3(d) of the Act, \$2,470,000; payments for the pesticide impact assessment program under section 3(d) of the Act, \$3,405,000; payments to upgrade 1890 land-grant college research and extension facilities as authorized by section 1447 of Public Law 99-198, \$8,000,000, to remain available until expended; payments for the rural development centers under section 3(d) of the Act, \$950,000; payments for extension work under section 209(c) of Public Law 93-471, \$1,010,000; payments for a groundwater quality program under section 3(d) of the Act, \$11,375,000; special grants for financially stressed farmers and dislocated farmers as

authorized by Public Law 100-219, \$2,550,000; payments for the Agricultural Telecommunications Program, as authorized by Public Law 100-624 (7 U.S.C. 5926), \$1,221,000; payments for youth-at-risk programs under section 3(d) of the Act, \$10,000,000; payments for a Nutrition Education Initiative under section 3(d) of the Act, \$3,530,000; payments for a food safety program under section 3(d) of the Act, \$1,500,000; payments for carrying out the provisions of the Renewable Resources Extension Act of 1978 under section 3(d) of the Act, \$2,765,000; payments for Indian reservation agents under section 3(d) of the Act, \$1,500,000; and payments for extension work by the colleges receiving the benefits of the second Morrill Act (7 U.S.C. 321-326, 328) and Tuskegee University, \$24,730,000; in all, \$410,000,000, of which not less than \$79,400,000 is for Home Economics: *Provided*, That funds hereby appropriated pursuant to section 3(c) of the Act of June 26, 1953, and section 506 of the Act of June 23, 1972, as amended, shall not be paid to any State, Puerto Rico, Guam, or the Virgin Islands, Micronesia, Northern Marianas, and American Samoa prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

Federal administration and coordination: For administration of the Smith-Lever Act, as amended, and the Act of September 29, 1977 (7 U.S.C. 341-349), as amended, and section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301n.), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, \$7,928,000, of which not less than \$2,300,000 is for Home Economics.

NATIONAL AGRICULTURAL LIBRARY

For necessary expenses of the National Agricultural Library, \$17,253,000: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$35,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That not to exceed \$900,000 shall be available pursuant to 7 U.S.C. 2250 for the alteration and repair of buildings and improvements.

OFFICE OF THE ASSISTANT SECRETARY FOR MARKETING AND INSPECTION SERVICES

For necessary salaries and expenses of the Office of the Assistant Secretary for Marketing and Inspection Services to administer programs under the laws enacted by the Congress for the Animal and Plant Health Inspection Service, Food Safety and Inspection Service, Federal Grain Inspection Service, Agricultural Cooperative Service, Agricultural Marketing Service, and Packers and Stockyards Administration, \$550,000.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For expenses, not otherwise provided for, including those pursuant to the Act of February 28, 1947, as amended (21 U.S.C. 114b-c), necessary to prevent, control, and eradicate pests and plant and animal diseases; to carry out inspection, quarantine, and regulatory activities; to discharge the authorities of the Secretary of Agriculture under the Act of March 2, 1931 (46 Stat. 1468; 7 U.S.C. 426-426b); and to protect the environment, as authorized by law, \$430,939,000, of which \$33,362,000 shall be derived from user fees deposited in the Agricultural Quarantine Inspection User Fee Account, and of which \$5,000,000 shall be available for the control of outbreaks of in-

sects, plant diseases, animal diseases and for control of pest animals and birds to the extent necessary to meet emergency conditions: *Provided*, That \$500,000 of the funds for control of the fire ant shall be placed in reserve for matching purposes with States which may come into the program: *Provided further*, That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by the States of at least 40 per centum: *Provided further*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$40,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That this appropriation shall be available for the operation and maintenance of aircraft and the purchase of not to exceed four, of which two shall be for replacement only: *Provided further*, That, in addition, in emergencies which threaten any segment of the agricultural production industry of this country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as he may deem necessary, to be available only in such emergencies for the arrest and eradication of contagious or infectious disease or pests of animals, poultry, or plants, and for expenses in accordance with the Act of February 28, 1947, as amended, and section 102 of the Act of September 21, 1944, as amended, and any unexpended balances of funds transferred for such emergency purposes in the next preceding fiscal year shall be merged with such transferred amounts: *Provided further*, That none of these funds shall be used to develop, establish, or operate any user fee program for agricultural quarantine and inspection to prevent the movement of exotic pests and diseases from Hawaii and Puerto Rico as authorized by 31 U.S.C. 9701.

BUILDINGS AND FACILITIES

For plans, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities, as authorized by 7 U.S.C. 2250, and acquisition of land as authorized by 7 U.S.C. 428a, \$10,400,000, to remain available until expended (7 U.S.C. 2209b).

FOOD SAFETY AND INSPECTION SERVICE

For necessary expenses to carry on services authorized by the Federal Meat Inspection Act, as amended, and the Poultry Products Inspection Act, as amended, \$489,867,000: *Provided*, That this appropriation shall be available for field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building: *Provided further*, That none of the funds in this Act may be used to carry out the Streamlined Inspection System (for cattle) after April 1, 1993.

FEDERAL GRAIN INSPECTION SERVICE

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the United States Grain Standards Act, as amended, and the standardization activities related to grain under the Agricultural Marketing Act of 1946, as amended, including field employment pursuant to

section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$20,000 for employment under 5 U.S.C. 3109, \$11,397,000: *Provided*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but, unless otherwise provided, the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building: *Provided further*, That none of the funds provided by this Act may be used to pay the salaries of any person or persons who require, or who authorize payments from fee-supported funds to any person or persons who require nonexport, nonterminal interior elevators to maintain records not involving official inspection or official weighing in the United States under Public Law 94-582 other than those necessary to fulfill the purposes of such Act.

INSPECTION AND WEIGHING SERVICES LIMITATION ON INSPECTION AND WEIGHING SERVICES EXPENSES

Not to exceed \$42,784,000 (from fees collected) shall be obligated during the current fiscal year for Inspection and Weighing Services: *Provided*, That if grain export activities require additional supervision and oversight, or other uncontrollable factors occur, this limitation may be exceeded by up to 10 per centum with notification to the Appropriations Committees.

AGRICULTURAL COOPERATIVE SERVICE

For necessary expenses to carry out the Cooperative Marketing Act of July 2, 1926 (7 U.S.C. 451-457), and for activities relating to the marketing aspects of cooperatives, including economic research and analysis and the application of economic research findings, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and for activities with institutions or organizations throughout the world concerning the development and operation of agricultural cooperatives (7 U.S.C. 3291), \$5,640,000: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$15,000 shall be available for employment under 5 U.S.C. 3109.

AGRICULTURAL MARKETING SERVICE MARKETING SERVICES

For necessary expenses to carry on services related to consumer protection, agricultural marketing and distribution, transportation, and regulatory programs as authorized by law, and for administration and coordination of payments to States; including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$90,000 for employment under 5 U.S.C. 3109, \$56,520,000; of which not less than \$2,313,000 shall be available for the Wholesale Market Development Program for the design and development of wholesale and farmer market facilities for the major metropolitan areas of the country: *Provided*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but, unless otherwise provided, the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building.

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed \$52,861,000 (from fees collected) shall be obligated during the current fiscal year for administrative expenses: *Provided*, That if crop size is understated and/or other uncontrollable events occur, the agen-

cy may exceed this limitation by up to 10 per centum with notification to the Appropriations Committees.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY (SECTION 32)

(INCLUDING TRANSFERS OF FUNDS)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for: (1) transfers to the Department of Commerce as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; and (3) not more than \$10,309,000 for formulation and administration of Marketing Agreements and Orders pursuant to the Agricultural Marketing Agreement Act of 1937, as amended, and the Agricultural Act of 1961.

PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), \$1,250,000.

PACKERS AND STOCKYARDS ADMINISTRATION

For necessary expenses for administration of the Packers and Stockyards Act, as authorized by law, and for certifying procedures used to protect purchasers of farm products, including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$5,000 for employment under 5 U.S.C. 3109, \$11,996,000.

FARM INCOME STABILIZATION

OFFICE OF THE UNDER SECRETARY FOR INTERNATIONAL AFFAIRS AND COMMODITY PROGRAMS

For necessary salaries and expenses of the Office of the Under Secretary for International Affairs and Commodity Programs to administer the laws enacted by Congress for the Agricultural Stabilization and Conservation Service, Office of International Cooperation and Development, Foreign Agricultural Service, and the Commodity Credit Corporation, \$551,000.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary administrative expenses of the Agricultural Stabilization and Conservation Service, including expenses to formulate and carry out programs authorized by title III of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301-1393); the Agricultural Act of 1949, as amended (7 U.S.C. 1421 et seq.); sections 7 to 15, 16(a), 16(f), and 17 of the Soil Conservation and Domestic Allotment Act, as amended (16 U.S.C. 590g-590o, 590p(a), 590p(f), and 590q); sections 1001 to 1004, 1006 to 1008, and 1010 of the Agricultural Act of 1970, as amended (16 U.S.C. 1501 to 1504, 1506 to 1508, and 1510); the Water Bank Act, as amended (16 U.S.C. 1301-1311); the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101); sections 202(c) and 205 of title II of the Colorado River Basin Salinity Control Act of 1974, as amended (43 U.S.C. 1592(c), 1595); sections 401, 402, and 404 to 406 of the Agricultural Credit Act of 1978 (16 U.S.C. 2201 to 2205); the United States Warehouse Act, as amended (7 U.S.C. 241-273); title XII of the Food Security Act of 1985, as amended (16 U.S.C. 3811 et seq.); and laws pertaining to the Commodity Credit Corporation, \$715,296,000; of which \$714,134,000 is hereby appropriated, and \$573,000 is trans-

ferred from the Public Law 480 Program Account in this Act and \$589,000 is transferred from the Commodity Credit Corporation Program Account in this Act: *Provided*, That other funds made available to the Agricultural Stabilization and Conservation Service for authorized activities may be advanced to and merged with this account: *Provided further*, That these funds shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$100,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That no part of the funds made available under this Act shall be used (1) to influence the vote in any referendum; (2) to influence agricultural legislation, except as permitted in 18 U.S.C. 1913; or (3) for salaries or other expenses of members of county and community committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act, as amended, for engaging in any activities other than advisory and supervisory duties and delegated program functions prescribed in administrative regulations.

**DAIRY INDEMNITY PROGRAM
(INCLUDING TRANSFERS OF FUNDS)**

For necessary expenses involved in making indemnity payments to dairy farmers for milk or cows producing such milk and manufacturers of dairy products who have been directed to remove their milk or dairy products from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government, and in making indemnity payments for milk, or cows producing such milk, at a fair market value to any dairy farmer who is directed to remove his milk from commercial markets because of (1) the presence of products of nuclear radiation or fallout if such contamination is not due to the fault of the farmer, or (2) residues of chemicals or toxic substances not included under the first sentence of the Act of August 13, 1968, as amended (7 U.S.C. 450j), if such chemicals or toxic substances were not used in a manner contrary to applicable regulations or labeling instructions provided at the time of use and the contamination is not due to the fault of the farmer, \$5,000, to remain available until expended (7 U.S.C. 2209b): *Provided*, That none of the funds contained in this Act shall be used to make indemnity payments to any farmer whose milk was removed from commercial markets as a result of his willful failure to follow procedures prescribed by the Federal Government: *Provided further*, That this amount shall be transferred to the Commodity Credit Corporation: *Provided further*, That the Secretary is authorized to utilize the services, facilities, and authorities of the Commodity Credit Corporation for the purpose of making dairy indemnity disbursements.

CORPORATIONS

The following corporations and agencies are hereby authorized to make expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided:

**FEDERAL CROP INSURANCE CORPORATION
ADMINISTRATIVE AND OPERATING EXPENSES**

For administrative and operating expenses, as authorized by the Federal Crop Insurance

Act, as amended (7 U.S.C. 1516), \$303,896,000: *Provided*, That not to exceed \$700 shall be available for official reception and representation expenses, as authorized by 7 U.S.C. 1506(i).

FEDERAL CROP INSURANCE CORPORATION FUND

For payments as authorized by section 508(b) of the Federal Crop Insurance Act, as amended, \$285,794,000, to remain available until expended (7 U.S.C. 2209b); of which \$58,768,000 is to reimburse the Federal Crop Insurance Corporation Fund for agents' commissions and loss adjustment obligations incurred during prior years, but not previously reimbursed, as authorized by section 516(a) of the Act, as amended.

**COMMODITY CREDIT CORPORATION FUND
REIMBURSEMENT FOR NET REALIZED LOSSES**

For fiscal year 1993, such sums as may be necessary to reimburse the Commodity Credit Corporation for net realized losses sustained, but not previously reimbursed (estimated to be \$9,200,000,000 in the President's fiscal year 1993 Budget Request (H. Doc. 102-178)), but not to exceed \$9,200,000,000, pursuant to section 2 of the Act of August 17, 1961, as amended (15 U.S.C. 713a-11).

Such funds are appropriated to reimburse the Corporation to restore losses incurred during prior fiscal years. Such losses for fiscal years 1991 and 1992 include \$667,020,000 in connection with carrying out the Export Enhancement Program (EEP), \$114,196,000 in connection with carrying out the Market Promotion Program (MPP), \$150,000,000 in connection with carrying out the Federal Crop Insurance Program, \$314,763,000 in connection with domestic donations, \$165,316,000 in connection with export donations, and \$7,788,705,000 in connection with carrying out the commodity programs.

**OPERATIONS AND MAINTENANCE FOR
HAZARDOUS WASTE MANAGEMENT**

For fiscal year 1993, CCC shall not expend more than \$3,000,000 for expenses to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, 42 U.S.C. 9607(g), and section 6001 of the Resource Conservation and Recovery Act, as amended, 42 U.S.C. 6961: *Provided*, That expenses shall be for operations and maintenance costs only and that other hazardous waste management costs shall be paid for by the USDA Hazardous Waste Management appropriation.

GENERAL SALES MANAGER

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Office of the General Sales Manager, \$8,641,000, of which \$4,668,000 may be transferred from Commodity Credit Corporation funds, \$2,731,000 may be transferred from the Commodity Credit Corporation Program Account in this Act, and \$1,242,000 may be transferred from the Public Law 480 Program Account in this Act. Of these funds, up to \$4,000,000 shall be available only for the purpose of selling surplus agricultural commodities from Commodity Credit Corporation inventory in world trade at competitive prices for the purpose of regaining and retaining our normal share of world markets. The General Sales Manager shall report directly to the Secretary of Agriculture. The General Sales Manager shall obtain, assimilate, and analyze all available information on developments related to private sales, as well as those funded by the Corporation, including grade and quality as sold and as delivered, including information relating to the effectiveness of greater reliance by the General Sales Manager upon

loan guarantees as contrasted to direct loans for financing commercial export sales of agricultural commodities out of private stocks on credit terms, as provided in titles I and II of the Agricultural Trade Act of 1978, Public Law 95-501, and shall submit quarterly reports to the appropriate committees of Congress concerning such developments.

The CHAIRMAN. Are there any points of order to the remainder of title I?

If not, are there any amendments to the remainder of title I?

AMENDMENT OFFERED BY MR. GLICKMAN

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

The Clerk read as follows:

Amendment offered by Mr. GLICKMAN: Page 28, line 26, strike "\$714,134,000" and insert "\$694,134,000."

Mr. GLICKMAN. Mr. Chairman, if I get a satisfactory answer on the bigger picture of computer costs within the Department of Agriculture, it is my intention to withdraw this amendment. My concern has been that the Department is proposing about \$200 million in major computer acquisitions at various places within the Department of Agriculture—the Agricultural Stabilization and Conservation Service, Farmers' Home, Soil Conservation Service, Federal Crop Insurance Service—without having a specific plan in hand to implement.

So what this amendment does is it cuts \$20 million out of one of those agencies, the Agricultural Stabilization and Conservation Service. It was the only way I knew how to get at the problem of trying to reduce the computer purchases inasmuch as there is no separate line item called computer purchases.

The General Accounting Office has testified that it would be unwise for farm service agencies to make major inventory purchases or make major investments in modernizing their information technology, their computers, until they know what USDA's reorganized field structure looks like.

The purpose of this amendment is to make sure that the horse is before the cart. My fear is that the Department of Agriculture will spend tens, if not hundreds, of millions of dollars in new computer investment in technology and then, at some point down the line, make some changes in how they are organized and not make the changes in how to organize first.

I very much believe the Department of Agriculture needs to become more streamlined, more focused, and probably needs to go on a diet with respect to its staff.

As the GAO testified before the Senate Agriculture Committee on June 3:

Changes in USDA's field structure would have implications on any information technology modernization efforts that the farm service agencies are planning. After a decision is made on the streamlining, the field structure of USDA will need to develop plans to reflect the new organizational structure and ways of doing business.

However, these agencies are all currently planning to spend millions over the next 5 years modernizing their computers. As a result, the agencies are running the risk that they will acquire technology that does not meet the needs of a new field office structure or that must be significantly altered down the road. It would be unwise for farm service agencies to make major investments.

And I repeat, I am talking about tens, if not hundreds, of millions of dollars in modernizing their information technology until they know what USDA's reorganized field structure looks like.

So the point of this amendment is that I believe that while we are all pushing the Department of Agriculture to become leaner and meaner in its operations, more focused, some consolidations will occur, some streamlining will occur, so do not rush headlong into buying hundreds of millions of dollars of computers that may be irrelevant for the way USDA is going to look in the future.

Mr. Chairman, I offered this language to get a focus on the committee. I understand it is very difficult to pinpoint in the bill where computer purchases are taking place. Some of them occur in the Commodity Credit Corporation, some of them may occur within these line items.

Mr. Chairman, I would ask the gentleman from New York, who is managing this bill, if he could shed any informational light on this issue of computer purchases, particularly as the department begins to reorganize itself.

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

Mr. GLICKMAN. I am glad to yield to the gentleman from New York.

Mr. MCHUGH. I thank the gentleman for yielding.

Mr. Chairman, I think I can reassure the gentleman to this extent. We have cut the budget that the President submitted by about \$1.4 billion and, therefore, many of the agencies that the gentleman is referring to will find that they have a lot less money available than they thought they would. Let me say first of all with respect to the ASCS, the Agricultural Stabilization and Conservation Service, there is no money in this bill for the computer equipment that the gentleman is concerned about. It is possible that CCC would have funding available for this purpose, but it is not in this bill.

Second, the Federal Crop Insurance Corporation has sustained a cut in this bill of \$31 million as compared with the President's budget.

Inevitably, with that type of a cut, they are not going to be able to pursue any plans they might have had for equipment purchases, because the alternative would be to lay people off.

Third, the Soil Conservation Service, while it receives in this bill a modest increase of \$12.4 million, it is for pay costs only.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. GLICKMAN] has expired.

(By unanimous consent, Mr. GLICKMAN was allowed to proceed for 4 additional minutes.)

Mr. MCHUGH. Mr. Chairman, will the gentleman continue to yield?

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

Mr. MCHUGH. I thank the gentleman for continuing to yield to me.

Mr. Chairman, the Soil Conservation Service has indicated that it has no plans in fiscal 1993 for any significant purchase of a computer system. So even though they will get a \$12.4 million increase, which covers only pay costs, they have indicated they are not planning on any systemwide or significant computer purchase.

Finally, the Farmers' Home Administration sustains a cut from this year's level in this bill of \$31.6 million.

Again, with that type of cut, it is not going to be able to pursue any type of significant computer purchase that the gentleman is concerned with.

So my conclusion is that, based upon what we have done in the bill as compared to the President's budget request and given what the agencies, in the case of the Soil Conservation Service, have told us, there is no money in this bill which would be able to be used for significant computer purchases.

Mr. GLICKMAN. So as the department then is reorganizing, restructuring in the field office structure, I want to make sure that they know this Congress is not encouraging them to engage in a major new computer acquisition and that we are not countenancing that behavior right now.

Mr. MCHUGH. I do not think the administration could do that even if it wanted to.

Mr. GLICKMAN. I thank the gentleman.

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

Mr. GLICKMAN. I yield to the gentleman from Kansas.

Mr. ROBERTS. I thank the gentleman for yielding.

Mr. Chairman, I was going to seek my own time, but I think I can make my point on the gentleman's time.

I would like to take this opportunity to thank Mr. SKEEN, my colleague from New Mexico, for his very determined leadership and help on agricultural appropriations.

Mr. Chairman, farmers and ranchers do not have a better friend than JOE SKEEN.

I would like to take this opportunity, since I will not have another opportunity, to say from the floor how much I respect the contributions of the gentleman from New York [Mr. MCHUGH]. He is the epitome of comity and fairness not only in his work within the Agricultural Appropriations Subcommittee but in the chair as well.

And the farmers and ranchers of Kansas will be losing a good friend with regard to his service.

Let me say that in talking with the Secretary of Agriculture as of this morning about the Glickman amendment, Secretary Madigan would like for me to respond in the following fashion by indicating that USDA requested \$760 million for all agencies for information resources management.

□ 1440

That is one budget. I know the gentleman's amendment is not germane or pertinent to this bill because the funding comes out of the CCC, but it raises a needed discussion that should be fully discussed. Of that amount, the \$760 million, 22 percent is for new equipment. Now that would be roughly equal to the gentleman's amendment if it were across the board. I do not think he wants to do that. The balance is for personnel, space rental, utilities, programming and other miscellaneous payments to other organizations. Under the Secretary's direction, the USDA has completed and distributed to the agencies with guidance, and we call those "marching orders" because the secretary really feels strongly about it, for developing their long range plans from 1992, this year, until 1996. Work is in progress with other sections of this strategic plan with the full set of documents expected to be completed by the end of this year. This Office of Information Resources Management is using the long range planning and guidance process to strengthen this same review program. This will insure that agencies carry out their activities accurately and effectively in compliance with the USDA systemwide policies and their principles and their standards.

Now we have teeth in this study. I would say to the gentleman from Kansas [Mr. GLICKMAN] that this will also strengthen the USDA's ability to provide strong oversight of these kinds of issues, particularly the cross-cutting issues where the coordination is critical, and the Secretary made it clear, when testifying before the full Committee on Agriculture, that stronger systems management administration was needed. He is committed to it, to ensure that the USDA does provide the necessary best possible services to the participants. They have testified they have established the oversight responsibility to, quote, withdraw the authority of line agencies to purchase automated data processing equipment. They have used this authority on one agency to correct the problem that the new oversight process has highlighted.

Let me tell the gentleman that the task force is currently going around the country to try to look at restructuring the farm bill.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. GLICKMAN] has expired.

(By unanimous consent, Mr. GLICKMAN was allowed to proceed for 2 additional minutes.)

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

Mr. GLICKMAN. I yield to the gentleman from Kansas.

Mr. ROBERTS. Mr. Chairman, I thank the gentleman from Kansas [Mr. GLICKMAN] for yielding to me.

As the gentleman knows, the gentleman from Texas [Mr. STENHOLM], and this gentleman, and Deputy Under Secretary Ann Veneman, and the director of the ASCS, and a representative from Farmers Home have gone to Kansas, they have gone to Texas, we have gone to California, to South Carolina; we are going to Illinois, and we are going to New York; we are asking farmers and ranchers themselves, and then SES employees, ASCS employees, and Farmers Home employees, "How can we better restructure the farm program? How can we better improve the delivery service? How can we make it more cost effective? What is the restructuring that we are talking about?"

I can tell the gentleman that in talking to many frustrated and angry ASCS employees, SES employees, Farmers Home employees, that they do want some reform and better computer capability. The Secretary knows that. We are on track. He is not going to permit the agencies to waste money on any new computers for offices that will be closed after the structure study is completed.

At the same time there are many computer projects that must proceed even while those studies are going on. So, the gentleman is on target with his concern. I think the task force is on top of it, and I personally think that Secretary Madigan is on top of it.

Mr. Chairman, I include for the RECORD the USDA statement by Secretary Madigan:

USDA STATEMENT BY SECRETARY MADIGAN

Secretary Madigan has demonstrated his commitment to sound management of the Department and to a serious analysis of its current field structure. He began his own review of field structure last winter and then called in OMB this spring to assist in that review. We must give the Secretary flexibility to manage the affairs of the Department and its agencies.

Secretary Madigan is not going to permit the agencies to waste money on new computers for offices that will be closed after the structure study is completed. At the same time, there are many computer projects that must proceed even while those studies are going on.

The Farm Service Agencies already have an extensive network of small computers in their field offices. Most of those were purchased and installed in the mid-1980's. They are old, many are wearing out. Some are at the point where it is more economical to replace them than to keep repairing them. This amendment would cut monies needed for those replacements.

Other parts of these funds are needed for programming and revising existing systems

that will be used in whatever field structure may come. There are computer programs such as financial management systems that need upgrading and in some cases replacement. Some of those systems are inadequate to keep accurate accounts of program funds or control waste and abuse. Upgrading those systems would also be affected by this amendment. Delaying such work is just poor business, even in the short run.

The funds that would be cut by this amendment will be used to strengthen the agencies' abilities to deliver services to farmers, ranchers, small town residents and others.

Some specific impacts are as follows:

Agricultural Stabilization and Conservation Service (ASCS): Only two of the initiatives in ASCS's long range plan are directly related to supporting existing field operations. \$33.3 million has been requested to support these two initiatives in FY 93. This represents approximately 44 percent of the total amount requested. ASCS ADP expenditures are primarily funded by the Commodity Credit Corporation, not appropriated funds. Cuts in appropriated funds only would have severe unintended results because these funds are for ADP staff, travel and other expenses, not ADP hardware.

Federal Crop Insurance Corporation (FCIC): This agency already completed a reorganization of its field structure to reflect delivery of crop insurance through private companies reinsured by FCIC. Few of its offices have any type of computer equipment. Funds for FY 93 are needed to give FCIC workers basic office automation tools to improve efficiency. The eventual cost of system delays and failures will be an insufficient risk protection program for the farmer.

Farmers Home Administration (FmHA): The agency would be in jeopardy of not being able to meet current service levels by not allowing it to adequately maintain our current critical systems and hardware infrastructure.

Soil Conservation Service (SCS): FY 93 funds are needed to complete development of computer software. Most of the SCS funds are planned for specific projects to improve technical soil analyses and assessments needed to support farmer assistance to implement soil conservation and water quality provisions of the 1990 farm bill. A reduction in funds will severely delay this work.

Mr. GLICKMAN. Again, Mr. Chairman, my point is to give time to the USDA to make recommendations on reorganization and consolidation and proceed with that before spending massive new sums on new computerization.

Mr. Chairman, given the commitment from the gentleman from New York [Mr. McHUGH] and others that we are not giving the green light for any major new computer purchases that would impede consolidation and reorganization of the Department of Agriculture, which is desperately needed, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

The CHAIRMAN. The amendment is withdrawn.

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

Mr. Chairman, I want to say a word or two about priorities and about proc-

ess, both of which, I think, are quite backward in this institution in the U.S. Government in general.

We have heard a lot of discussion lately about moral values, and it seems to me that, when we talk about moral values, what we are saying, asking about, is: What is most important that a nation cherishes? What is most important that a nation finds important?

Mr. Chairman, I would argue that, if a nation is serious about moral values, it will pay attention to those people in the society who are most vulnerable, who are most hurting, and in this instance, in this country, that is our children.

Mr. Chairman, it is a national disgrace that in the United States of America today we have by far the highest rate of poverty among children in the industrialized world. That is what we have—20 percent of our kids live in poverty.

Mr. Chairman, today there is an estimate of 5 million American kids who are hungry, that 1 million children are living out in the streets. From one end of this country to the other we have schools that are in bankruptcy, not providing kids with an adequate education. The child care system is not adequately dealing with the needs of children who need child care. We have hundreds of thousands of children who are not getting their basic inoculations against diseases that should have been wiped out 30 years ago.

So, the point that I want to make is that I have a real problem with the process and the priorities of this institution. What we should be talking about today is not one agricultural program, a good one, versus another good one. What we should be doing is throwing all of the priorities on the table and letting the American people help us choose in what direction this country should go in.

For example, Mr. Chairman, last week in voting for the energy and water appropriations we decided to put \$4½ billion into new nuclear weapons research, \$4½ billion into nuclear weapons research, but we are not adequately funding WIC, Head Start, or other children's needs. Last week we almost level funded the intelligence budget, the CIA, DIA. The cold war is over. We should be able to bring that budget down by 50 percent. We are almost level funding it, and yet we have school systems which are falling apart, kids who are not getting a fair shake.

So, Mr. Chairman, what I suggest is that perhaps the leadership of this institution begin to revise the process. Let the American people make a decision as to whether we give tax breaks to the wealthiest people in this country, whether we spend \$280 billion a year on the military, or whether we deal with the most vulnerable people in this country, our children. If we have the political will to do it, we can wipe

out childhood poverty tomorrow, we could feed the hungry kids, educate those children who are in need.

That should be the priorities of this institution, and I am saddened that it is not.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

TITLE II—CONSERVATION PROGRAMS

OFFICE OF THE ASSISTANT SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

For necessary salaries and expenses of the Office of the Assistant Secretary for Natural Resources and Environment to administer the laws enacted by the Congress for the Forest Service and the Soil Conservation Service, \$563,000.

SOIL CONSERVATION SERVICE CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-590f) including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed \$100; purchase and erection or alteration or improvement of permanent and temporary buildings; and operation and maintenance of aircraft, \$576,539,000, to remain available until expended (7 U.S.C. 2209b); of which not less than \$5,713,000 is for snow survey and water forecasting and not less than \$8,064,000 is for operation and establishment of the plant materials centers: *Provided*, That except for \$2,399,000 for improvements of the plant materials centers, the cost of any permanent building purchased, erected, or as improved, exclusive of the cost of constructing a water supply or sanitary system and connecting the same to any such building and with the exception of buildings acquired in conjunction with land being purchased for other purposes, shall not exceed \$10,000, except for one building to be constructed at a cost not to exceed \$100,000 and eight buildings to be constructed or improved at a cost not to exceed \$50,000 per building and except that alterations or improvements to other existing permanent buildings costing \$5,000 or more may be made in any fiscal year in an amount not to exceed \$2,000 per building: *Provided further*, That when buildings or other structures are erected on non-Federal land that the right to use such land is obtained as provided in 7 U.S.C. 2250a; *Provided further*, That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 (16 U.S.C. 590a-590f) in demonstration projects: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225) and not to exceed \$25,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the Service (16 U.S.C. 590e-2).

RIVER BASIN SURVEYS AND INVESTIGATIONS

For necessary expenses to conduct research, investigation, and surveys of water-

sheds of rivers and other waterways, in accordance with section 6 of the Watershed Protection and Flood Prevention Act approved August 4, 1954, as amended (16 U.S.C. 1006-1009), \$13,251,000: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$60,000 shall be available for employment under 5 U.S.C. 3109.

WATERSHED PLANNING

For necessary expenses for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act, as amended (16 U.S.C. 1001-1008), \$9,545,000: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 shall be available for employment under 5 U.S.C. 3109.

WATERSHED AND FLOOD PREVENTION OPERATIONS

For necessary expenses to carry out preventive measures, including but not limited to research, engineering operations, methods of cultivation, the growing of vegetation, rehabilitation of existing works and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954, as amended (16 U.S.C. 1001-1005, 1007-1009), the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), and in accordance with the provisions of laws relating to the activities of the Department, \$205,266,000 (of which \$36,091,000 shall be available for the watersheds authorized under the Flood Control Act approved June 22, 1936 (33 U.S.C. 701, 16 U.S.C. 1006a), as amended and supplemented): *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$20,028,000 shall be available for emergency measures as provided by sections 403-405 of the Agricultural Credit Act of 1978 (16 U.S.C. 2203-2205), and not to exceed \$200,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That \$4,000,000 in loans may be insured, or made to be sold and insured, under the Agricultural Credit Insurance Fund of the Farmers Home Administration (7 U.S.C. 1931): *Provided further*, That not to exceed \$1,000,000 of this appropriation is available to carry out the purposes of the Endangered Species Act of 1973 (Public Law 93-205), as amended, including cooperative efforts as contemplated by that Act to relocate endangered or threatened species to other suitable habitats as may be necessary to expedite project construction.

REQUEST BY MEMBER TO OFFER AMENDMENTS EN BLOC

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

Mr. MCHUGH. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The amendment of the gentleman from Indiana [Mr. JONTZ] appears to target portions of the bill before us which have not yet been read. Does the gentleman seek unanimous consent to offer these amendments en bloc?

Mr. JONTZ. Yes, Mr. Chairman.

The CHAIRMAN. The gentleman from Indiana seeks unanimous consent for an en bloc amendment.

Is there objection to the request of the gentleman from Indiana?

Mr. MCHUGH. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

AMENDMENT OFFERED BY MR. JONTZ

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

The Clerk read as follows:

Amendment offered by Mr. JONTZ: Page 37, line 25, strike "\$205,266,000" and insert "\$158,909,000".

Mr. JONTZ. Mr. Chairman, it had been my hope that I could offer an en bloc amendment that would have provided for the proper funding of the wetlands reserve program. Unfortunately, I am forced to offer this in two component parts. First of all, an amendment to reduce money in the watershed and flood section of the legislation, and then, if this amendment is successful, an amendment to provide for \$46 million of funding, which is the current level of funding, for the wetlands reserve program.

The wetlands reserve program is very important because it is a means of working with the agriculture producers of this country to provide for the conservation of our wetlands with some compensation to them.

The program, which was authorized in the 1990 farm bill, is a voluntary incentive-based program. Participants implement a wetlands conservation program and then receive cost assistance for the restoration of the wetland, and then participate in a long-term easement that we hope will result in a goal of 1 million acres enrolled by the year 1995.

The current year's appropriation of \$46.4 million is limited to eight States. Indiana is not among those States. But I will say that the signup, which has just been concluded, has been extraordinarily successful for this program. Requests to participate exceeded 300,000 acres, which is several times more than the funding which is believed to be adequate for about 50,000 acres.

The unfortunate situation in this country is that our wetlands continue to disappear, despite the Clean Water Act, despite other provisions in the farm bill. If we are to achieve President Bush's goal of no net loss in wetlands, we must make this wetlands reserve program work.

In fact, the administration is wholeheartedly in support of funding wetlands reserve. They asked us to fund \$160 million for this program.

Just this morning the Secretary sent a letter over to the Congress expressing that his major disappointment with this bill that is before us today is the failure to adequately fund wetland reserve and also additional enrollments in conservation reserve.

So the task that we face is how do we provide the funds for even continuing last year's level of appropriations for wetlands reserve. What the amendment before us does is to cut those funds

from the small watershed program, which would be funded at \$205 million. Even at the level of funding which this amendment would contemplate, which would be about \$159 million, that would be significantly more than what the administration proposed for funding for this small watershed program.

The small watershed program indeed has merit. At the same time I would argue that for the dollars spent we are going to get a lot more return for conservation, for water quality, by maintaining the existing level of funding for the wetlands reserve. The various channelization programs and drainage programs and other programs that are funded under the small watersheds I believe can be adequately funded at \$159 million. Even with the passage of my amendment, we would be spending more than three times as much on the small watershed program as we are spending on wetlands reserve.

Mr. Chairman, all I am asking is let us adopt a funding level for wetlands reserve that at least maintains the existing level, that would not allow it to extend to a national program, but would allow the wetlands reserve program to go forward.

I believe that this is more in line with what is the administration's budget request, because we would be funding small watersheds very close to what the administration requested and even greater than what the administration funded. We would be funding wetlands at less than what the administration requested, but at least we would have an appropriation.

I would argue that this wetlands reserve program is one of the most important programs that we can fund to provide some compensation for farmers to use converted or farmed wetlands that are on their farms at the present time for their wetlands benefit.

Mr. Chairman, all of us in Congress have heard a great deal of debate over this past year about wetlands. Universally we have been told that there ought to be some compensation for farmers when they have a problem with wetlands. The Congress did that in the 1990 farm bill. It was Silvio Conte of Massachusetts who was the author of this proposal I think originally, and it was included in the farm bill on a bipartisan basis.

We ought to properly fund it. It is necessary for this amendment to pass to fund that proposal.

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

Mr. Chairman, I will be very brief. Essentially what this amendment does is significantly reduce the small watershed program, which has been in existence for some years and which is quite important to many of our State and local governments.

This is a program where the Soil Conservation Service works hand in hand with States and local govern-

ments on small projects to avoid soil erosion and other watershed problems. We actually could do much more in this country with the small watershed program in terms of flood prevention and erosion control. Unfortunately, as we indicated earlier, we are faced with some very tight budget constraints.

Therefore, what we did in this program, as we did in many other important programs, is fund the small watershed program at the current spending levels. What the gentleman's amendment would do would be to impose about a \$50 million cut on that program. This is a very substantial reduction in what is an ongoing important program in States all across the country.

So we are faced here, as we have been before, with some very difficult choices. The gentleman wants to make room for the wetlands program, and there is controversy about the wisdom of going forward with that. I personally have no strong objections to it for some of the reasons the gentleman has cited.

However, we need to make some choices. The watershed program is an ongoing program, and if it is very important to substantially cut back on that program to make room for the wetlands program, it seems to me that is an important choice. But it is on that basis that I make my plea to Members to reject the amendment.

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

Mr. MCHUGH. I am happy to yield to the gentleman from Indiana.

Mr. JONTZ. Mr. Chairman, is not the wetlands reserve program on ongoing program?

Mr. MCHUGH. Mr. Chairman, reclaiming my time. It is a pilot program, which basically means that there are demonstration projects, including in my own State, for the wetlands program. It is a program that needs to be assessed in terms of its expansion. Not only in terms of how effective it is, but in terms of how much it is going to cost.

The fact of the matter is we do not know how much it is going to cost. It could be a very expensive program.

So it is a program which has begun on a pilot basis. It is not an ongoing program in the sense that the small watershed program is.

Mr. JONTZ. Mr. Chairman, if the gentleman will yield further, I wonder why the gentleman would find this program to be meritorious of no funding, the wetlands reserve program to be meritorious of no funding, when the philosophy of the gentleman with regard to small watersheds was to fund it at the current level? Why did you not fund the wetlands reserve at the current level?

Mr. MCHUGH. Mr. Chairman, reclaiming my time, as I indicated, we had to make some choices here. If the

choice was between continuing the small watershed program at the current level or substantially cutting it and providing additional funding for the wetlands program in its pilot stage, it seems personally the choice should be to support the ongoing program which we know to be effective.

Mr. JONTZ. Mr. Chairman, if the gentleman will yield further, the goal of the wetlands reserve program is to enroll this acreage, some 1 million acres, by 1995. If we have only enrolled 50,000 acres this last year, how are we going to get to 1 million acres by 1995 without any funding for this coming year?

The gentleman claims this is a pilot program, but the fact is the only reason it is a pilot program is because the agriculture appropriations bill that we passed last year made it a pilot program. It was not passed as a pilot program by Congress in 1990, it was passed as a full-blown program with the goal of 1 million acres a year. Because last year this committee chose to fund it at the lower level, actually in the House it was not funded at all, but eventually there was some money put in, the \$46 million, all we are trying to do now is maintain the level of funding that the bill in the final form included last year.

□ 1500

So the gentleman claims this is a pilot program, but it was not passed as a pilot program. And we are never going to reach the million-acre goal, if we do not have any additional enrollments.

Mr. MCHUGH. Mr. Chairman, as the gentleman understands, there is not enough money to do many things in this Government today. This happens to be one of them at the moment.

I understand the commitment of the gentleman to the program. If we had the money to fund it, there may well be funding here. But there is not enough money to do many things, and we are facing these choices on every appropriations bill.

I understand the gentleman has a different priority than the committee. He is perfectly within his rights to assert that priority. But we had to make a choice, and the choice the committee made was to continue the small watershed program at its current level.

Mr. ENGLISH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this is a very difficult situation, and I certainly appreciate the dilemma that the committee has found itself in in trying to fund a whole host of different programs. In many ways, it is like choosing between children.

I do want to stress the importance of some of the programs that have not had adequate funding and their relationship to the 1990 farm bill.

Basically what we attempted to do is to strike a balance in the 1990 farm bill, recognizing the needs of agriculture and farmers and also understanding that we have environmental needs in this Nation as well. And certainly there needs to be some kind of working between the two. We have to make sure that farmers, in carrying out their responsibilities to the Nation, do not in fact cause difficulties, environmentally speaking. So for that reason the approach that was taken in the 1990 farm bill was one that was agreed to both by farmers and by environmentalists, farm groups and environmental groups, one of a voluntary nature, one in which we had a series of incentives. And so I simply want to stress today, I understand the point of the gentleman from Indiana [Mr. JONTZ], and what he is attempting to do is to move toward the agreement that was made in the 1990 farm bill, making sure that we are reaching toward the balance that needs to be struck.

I just hope that the members of the Committee on Appropriations will fully recognize how important it is that the agreement that was made in the 1990 be kept and certainly how important it is that we made sure that there is a balance between agricultural needs and the environment in this country.

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

Mr. ENGLISH. I yield to the gentleman from Indiana.

Mr. JONTZ. Mr. Chairman, I appreciate the point the gentleman makes, and I want to compliment the gentleman, as chairman of the Subcommittee on Conservation, Credit and Rural Development. The gentleman worked very hard to provide the help that agricultural producers need to make a transition to more environmentally sensitive means of production.

One of the stickiest problems we have to face is wetlands. I guess my question to the gentleman, as chairman of this subcommittee, would be, how are we going to be able to approach the whole wetlands issue and try to bring a proper balance so that agricultural producers can still stay in business if we do not have some program to compensate them in this way on a voluntary basis if they choose to take farm-converted wetlands and enroll them in the wetlands reserve? The gentleman is the one that has the responsibility in the authorizing committee for dealing with this area of the farm bill. The swampbuster requirement is one of the toughest areas of the farm bill to deal with.

I ask the gentleman, as the chairman of that subcommittee, what role does the wetlands reserve program play in order to meet those objectives?

Mr. ENGLISH. Mr. Chairman, what we are doing now, I think, is we are ap-

proaching the environment and agricultural needs as a total package as opposed to what we have done in the past in which they have been separate issues and have been approached as separate programs that really do not link up together.

I think it was a landmark agreement that was reached back in 1990 between environmental and agricultural groups, and the linchpin of that agreement is voluntarism. And that voluntarism is based on the fact that the U.S. Government would provide incentives for farmers to meet these goals and to meet these targets.

Certainly, those of us who are involved in the agriculture community and farmers would find that to be more preferable than other methods of reaching those objectives that have been advocated by some.

So it is very important, I think, that we have those incentives in place and at hand and begin to encourage our farmers to meet those goals voluntarily.

I think that virtually every farm group in this country would endorse that as a very important goal that has to be reached. And also, I think we have got to keep in mind that we do see changes taking place.

I have a great deal of sympathy with the Committee on Appropriations as they attempt to meet all the various needs that they find on the Agriculture Appropriations bill and do it with fewer and fewer funds. That is an almost impossible job.

I am hopeful that we recognize, and I want to underscore today, how important it is that we understand that we have to move to meet these environmental goals and do it voluntarily and do it with incentives. I think that that is a critical fact.

Mr. SKEEN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I understand the concerns of the gentleman who sponsors the amendment and his aims and his objectives, but the bill, as it stands now, freezes the Small Watershed Program at last year's levels. And if we are going to take money out of that program, what we will do is dilute an operational and a good program to try to bolster another good program that is just getting off the ground. I think that is the wrong way to go under the circumstances. So I have to oppose the amendment because I do not think that we are going to help one new program or the Wetlands Program by diluting an existing program. That is why I oppose the amendment.

Mr. HAYES of Louisiana. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

I will not take all of my time. I rise in support of the amendment, but I have to do so making an observation.

The program, which is a very good one, has as its basis voluntarism. In other words, the properties that are subject to and important for water quality nevertheless are subject to the farmer wishing to participate in the program and a recognition that his rights of ownership of that property carry with it the decisionmaking process as to whether that farmer chooses to participate. I will support that any time, any place.

But more amusing to me, second, is that when the farmer volunteers the property, what is not used is the Manual of Delineation, found under section 404 of the Clean Air Act. In other words, they do not use the criteria of wetlands that they wish in a regulatory manner to impose upon landowners. Instead, they use a criterion on water quality, which looks like wetlands that we envision as in the coast of Louisiana. Or to put it bluntly, they would not take the stuff, they are telling them, as a wetland if "you are an involuntary farmer who does not want to convert."

So, yes, I will support this amendment. I will support voluntarism, and I will support true wetlands, just as I will stand up and oppose the Manual of Delineation and the criteria that turn private property rights over to the Government and from the individual in an effort to regulate freedom.

I am for this. But I am opposed to that, and those who can see the difference, I hope, will remember it when we reauthorize the Clean Water Act of 1972.

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

Mr. HAYES of Louisiana. I yield to the gentleman from Indiana.

Mr. JONTZ. Mr. Chairman, I appreciate the gentleman's statement. As the gentleman knows, we have different opinions about some aspects of wetlands. But we are in agreement that the Wetlands Reserve Program is a part of the overall strategy regardless of how we resolve swampbuster, regardless of how we resolve section 404.

The gentleman from Louisiana would agree with me that the Wetlands Reserve Program is a part of the total strategy we must have to deal with the wetlands issue; is that correct?

Mr. HAYES of Louisiana. Mr. Chairman, I would not be here in support of the gentleman's amendment if I did not disagree. And by the way, if the program were not supported strongly by my Louisiana farmers.

Mr. JONTZ. Mr. Chairman, if the gentleman will continue to yield, this will be the opportunity we have in this legislation to address the Wetlands Reserve Program. I would have preferred not to have to offer the cut in this way, but we have no choice, if we are to provide funds for wetlands reserves, but to do it in this way.

So I appreciate the gentleman coming to speak for the amendment be-

cause it is the opportunity that we have to provide funds for wetlands reserves.

Mr. HAYES of Louisiana. Mr. Chairman, this amendment is the best we can do at this time under this bill, and for that reason I intend to vote for the amendment of the gentleman from Indiana.

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

Mr. HAYES of Louisiana. I yield to the gentleman from Oklahoma.

Mr. ENGLISH. Mr. Chairman, very quickly, I just wanted to say, I think as we can see, we have vast differences with regard to these issues.

□ 1510

The voluntarism, the incentive approach, is one area in which we have reached common agreement. I hope that that is noted, not only by the committee, but I hope it is noted by the Members of the House. This is the preferable way to go, and I hope Members will move in that direction.

Mr. HAYES of Louisiana. Mr. Chairman, I thank the gentleman for his observation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. JONTZ].

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 109, noes 308, not voting 17, as follows:

[Roll No. 244]

AYES—109

Andrews (ME)	Henry	Petri
Andrews (NJ)	Hoagland	Porter
Army	Hughes	Ramstad
Aspin	Jacobs	Ravenel
Atkins	Johnson (SD)	Reed
AuCoin	Johnston	Richardson
Baker	Jontz	Ridge
Beilenson	Kennedy	Rinaldo
Bennett	Klecza	Ritter
Berman	Klug	Roukema
Boehlert	Kostmayer	Sanders
Borski	Lancaster	Saxton
Boxer	Leach	Schulze
Brown	Levine (CA)	Schumer
Bryant	Lipinski	Sensenbrenner
Burton	Long	Shays
Campbell (CA)	Mazzoli	Sikorski
Cardin	McCrery	Smith (NJ)
Carper	McCurdy	Snowe
Conyers	McDermott	Solarz
Crane	McMillen (MD)	Staggers
Dannemeyer	Meyers	Stark
Dellums	Mfume	Stearns
Dreier	Miller (CA)	Torricelli
Dwyer	Miller (WA)	Upton
English	Molinar	Vento
Ewing	Moody	Walker
Fawell	Morella	Walsh
Foglietta	Mrazek	Waters
Franks (CT)	Nagle	Waxman
Gilchrest	Nussle	Weiss
Gilman	Olver	Weldon
Grandy	Owens (UT)	Wolpe
Hancock	Pallone	Wyden
Hayes (IL)	Payne (NJ)	Zimmer
Hayes (LA)	Petosi	
Hefley	Peterson (MN)	

NOES—308

Abercrombie	Frost	Mink
Ackerman	Gallegly	Moakley
Alexander	Gallo	Mollohan
Allard	Gaydos	Montgomery
Allen	Gedensson	Moorhead
Anderson	Gephardt	Moran
Andrews (TX)	Geren	Morrison
Annunzio	Gibbons	Murphy
Anthony	Gillmor	Murtha
Applegate	Gingrich	Myers
Archer	Glickman	Natcher
Bacchus	Gonzalez	Neal (MA)
Ballenger	Goodling	Neal (NC)
Barnard	Gordon	Nichols
Barrett	Goss	Niowak
Barton	Gradison	Oakar
Bateman	Green	Oberstar
Bentley	Guarini	Obey
Bereuter	Gunderson	Olin
Bilbray	Hall (OH)	Ortiz
Billrakis	Hall (TX)	Orton
Blackwell	Hamilton	Oxley
Bliley	Hammerschmidt	Packard
Boehner	Hansen	Panetta
Boucher	Harris	Parker
Brewster	Hastert	Pastor
Brooks	Hatcher	Patterson
Broomfield	Herger	Paxon
Browder	Hertel	Payne (VA)
Bruce	Hobson	Pease
Bunning	Hochbrueckner	Penny
Bustamante	Holloway	Peterson (FL)
Byron	Hopkins	Pickett
Callahan	Horn	Pickle
Camp	Horton	Poshard
Campbell (CO)	Houghton	Price
Carr	Hoyer	Pursell
Chandler	Hubbard	Quillen
Chapman	Hunter	Rahall
Clay	Hutto	Rangel
Clement	Hyde	Ray
Clinger	Inhofe	Regula
Coble	Ireland	Rhodes
Coleman (MO)	James	Riggs
Coleman (TX)	Jefferson	Roberts
Collins (IL)	Jenkins	Roe
Collins (MI)	Johnson (CT)	Roemer
Combust	Johnson (TX)	Rogers
Condit	Jones (NC)	Rohrabacher
Cooper	Kanjorski	Ros-Lehtinen
Costello	Kaptur	Rose
Coughlin	Kasich	Rostenkowski
Cox (GA)	Kennelly	Roth
Cox (IL)	Kildee	Rowland
Coyne	Kolbe	Roybal
Cramer	Kolter	Russo
Cunningham	Kopetski	Sabo
Darden	Kyl	Sangmeister
Davis	LaFalce	Santorum
de la Garza	Lagomarsino	Sarpalius
DeFazio	Lantos	Savage
DeLauro	LaRocco	Sawyer
DeLay	Laughlin	Schaefer
Derrick	Lehman (CA)	Scheuer
Dickinson	Lent	Schiff
Dingell	Levin (MI)	Schroeder
Dixon	Lewis (CA)	Serrano
Donnelly	Lewis (FL)	Sharp
Dooley	Lewis (GA)	Shaw
Doollittle	Lightfoot	Shuster
Dorman (CA)	Livingston	Sisisky
Downey	Lloyd	Skaegs
Duncan	Lowey (NY)	Skeen
Durbin	Luken	Skelton
Early	Machtley	Slattery
Early	Manton	Slaughter
Eckart	Markey	Smith (FL)
Edwards (CA)	Marlenee	Smith (IA)
Edwards (OK)	Martin	Smith (OR)
Edwards (TX)	Martinez	Smith (TX)
Emerson	Matsui	Solomon
Engel	Mavroules	Spence
Erdreich	McCandless	Spratt
Espy	McCloskey	Stallings
Evans	McCollum	Stenholm
Fascell	McDade	Stokes
Fazio	McEwen	Studds
Felghan	McGrath	Stump
Fields	McHugh	Sundquist
Fish	McMillan (NC)	Swett
Flake	McNulty	Swift
Ford (MI)	Michel	Synar
Ford (TN)	Miller (OH)	Tanner
Frank (MA)	Mineta	Tauzin

Taylor (MS)	Unsoeld	Wise
Taylor (NC)	Valentine	Wolf
Thomas (CA)	Vander Jagt	Wyllie
Thomas (GA)	Visclosky	Yates
Thomas (WY)	Volkmer	Yatron
Thornton	Vucanovich	Young (AK)
Torres	Weber	Young (FL)
Towns	Wheat	Zeliff
Traficant	Whitten	

NOT VOTING—17

Bevill	Huckaby	Tallon
Bonior	Jones (GA)	Traxler
Dorgan (ND)	Lehman (FL)	Washington
Dymally	Lowery (CA)	Williams
Gekas	Owens (NY)	Wilson
Hefner	Perkins	

□ 1533

Mrs. JOHNSON of Connecticut and Messrs. SANTORUM, LIVINGSTON, HOLLOWAY, and SAVAGE changed their vote from "aye" to "no."

Messrs. HANCOCK, SIKORSKI, RICHARDSON, DWYER of New Jersey, SCHUMER, WALKER, FOGLIETTA, MFUME, RIDGE, MAZZOLI, WELDON, DELLUMS, WEISS, and WYDEN changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

RESOURCE CONSERVATION AND DEVELOPMENT

For necessary expenses in planning and carrying out projects for resource conservation and development and for sound land use pursuant to the provisions of section 32(e) of title III of the Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C. 1010-1011; 76 Stat. 607), and the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), and the provisions of the Agriculture and Food Act of 1981 (16 U.S.C. 3451-3461), \$32,516,000, to remain available until expended (7 U.S.C. 2209b): *Provided*, That \$600,000 in loans may be insured, or made to be sold and insured, under the Agricultural Credit Insurance Fund of the Farmers Home Administration (7 U.S.C. 1931): *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 shall be available for employment under 5 U.S.C. 3109.

GREAT PLAINS CONSERVATION PROGRAM

For necessary expenses to carry into effect a program of conservation in the Great Plains area, pursuant to section 16(b) of the Soil Conservation and Domestic Allotment Act, as added by the Act of August 7, 1956, as amended (16 U.S.C. 590p(b)), \$25,271,000, to remain available until expended (16 U.S.C. 590p(b)(7)).

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

AGRICULTURAL CONSERVATION PROGRAM (INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry into effect the program authorized in sections 7 to 15, 16(a), 16(f), and 17 of the Soil Conservation and Domestic Allotment Act approved February 29, 1936, as amended and supplemented (16 U.S.C. 590g-590o, 590p(a), 590p(f), and 590q), and sections 1001-1004, 1006-1008, and 1010 of the Agricultural Act of 1970, as added by the Agriculture and Consumer Protection Act of 1973 (16 U.S.C. 1501-1504, 1506-1508, and 1510), and including not to exceed \$15,000 for the preparation and display of exhibits, including such displays at State, interstate, and

international fairs within the United States, \$194,435,000, to remain available until expended (16 U.S.C. 5900), for agreements, excluding administration but including technical assistance and related expenses (16 U.S.C. 5900), except that no participant in the Agricultural Conservation Program shall receive more than \$3,500 per year, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community, or where a participant has a long-term agreement, in which case the total payment shall not exceed the annual payment limitation multiplied by the number of years of the agreement: *Provided*, That no portion of the funds for the current year's program may be utilized to provide financial or technical assistance for drainage on wetlands now designated as Wetlands Types 3 (III) through 20 (XX) in United States Department of the Interior, Fish and Wildlife Circular 39, Wetlands of the United States, 1956: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other conservation materials, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out approved farming practices as authorized by the Soil Conservation and Domestic Allotment Act, as amended, as determined and recommended by the county committees, approved by the State committees and the Secretary, under programs provided for herein: *Provided further*, That such assistance will not be used for carrying out measures and practices that are primarily production-oriented or that have little or no conservation or pollution abatement benefits: *Provided further*, That not to exceed 5 per centum of the allocation for the current year's program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the Agricultural Conservation Program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 per centum may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions: *Provided further*, That for the current year's program \$2,500,000 shall be available for technical assistance in formulating and carrying out rural environmental practices: *Provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities" approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18 U.S.C. 1913 to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels: *Provided further*, That not to exceed \$6,750,000 of the amount appropriated shall be used for

water quality payments and practices in the same manner as permitted under the program for water quality authorized in chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838 et seq.).

AMENDMENT OFFERED BY MR. JONTZ

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

The Clerk read as follows:

Amendment offered by Mr. JONTZ: page 42, line 22, strike "\$6,750,000" and insert "\$30,000,000".

Mr. JONTZ. Mr. Chairman, this is the last of the series of amendments which I have to offer this afternoon to seek proper funding for the environmental and consumer initiatives in the 1990 farm bill.

Mr. Chairman, I appreciate the difficult position, the difficult situation the Agriculture Appropriations Subcommittee is in, and they have, as the chairman has explained, followed a procedure that they have level-funded many aspects of last year's bill.

One area where they did not level-fund is that there was a commitment in the last year's agricultural appropriations bill of \$30 million for water-quality programs. You will not find that commitment in this year's bill.

What I seek to do with this amendment is to fund that commitment through the water quality incentives program. The water quality incentives program is a voluntary-incentive-based program to help farmers comply with State and Federal environmental laws by providing technical and financial assistance. This will help them to prevent pollution of surface and ground water by making more efficient use of fertilizers, of pesticides, and of animal waste. The program emphasizes areas where there are water resources that are vulnerable.

This is a traditional cost-share program where farmers are eligible to receive up to \$3,500 a year, but it is a new program from the standpoint that it was specifically designed as part of the 1990 farm bill to avoid the regulatory approach to dealing with environmental quality. This program emphasizes improving farm management practices to allow highly productive cropland to stay in production.

It is one of the most cost-effective means of improving our water quality. The program is funded at the \$6.75 million level for the coming year in this appropriations bill, but our proposal would substantially increase that so that it was up to the \$30 million level for water quality, which was a commitment made in last year's program.

□ 1540

This is an extraordinarily important program because it is the approach that the 1990 farm bill uses to address our water quality challenges.

The farm bill envisions a 10 million acre water quality improvement enrollment, which would be 2 million

acres a year. At the present time, we have enrolled, given the very limited funding, only a few hundred thousand acres. There is no way that we can reach the 10 million acre goal unless we have a substantially increased enrollment. At \$30 million, we would be enrolling something a little shy of a million acres, which would help get us on the track toward the 10 million acre goal.

I can assure my colleagues in the House that if we reach the end of the 5 years of the farm bill and we only have a few hundred thousand acres enrolled in WQIP instead of the 10 million acres that we had intended to enroll that it would be very, very difficult to avoid a stringent regulatory approach to water quality.

Now, I want to add one more point, and that is this is a program that is supported by environmental groups and agricultural procedures both. This program is supported by the pork producers. This program is supported by the corn growers. This program is supported also by different conservation organizations, but this level of funding is comparable to what various agricultural production groups have suggested is necessary to make any progress.

So a vote against this amendment is a vote against helping agricultural producers meet their water quality objectives.

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

Mr. Chairman, once again, this is a classic example where the gentleman from Indiana is supporting a very worthwhile program. We have nothing against the program and a vote against his amendment should not be interpreted as opposition to the program for which he seeks to increase funding.

The problem we have is that there are limited funds and there are other water quality initiatives within ACP, programs which are also critically important for farmers.

In fiscal year 1992 we spent a total of \$29,750,000 for water quality initiatives. Of that amount of money, \$6.75 million was spent on the water quality incentives program the gentleman from Indiana wants to increase to \$30 million.

We were inevitably faced with trade-offs due to the fact that we did not have additional money. In some cases we had to cut programs below the fiscal year 1992 level. We are \$1.4 billion below the President's request. With the allocation we had we tried to at least maintain programs which were good, even though we would have preferred in some cases to increase programs such as this one.

What we have done in this case, as we have done in many others, is to appropriate the amount of money which is provided in this fiscal year.

Now, if the gentleman's amendment passes, it means that there would inevitably be reductions in other worthwhile ACP conservation programs.

The gentleman thinks this program is more important, and he has every right to reach that conclusion, but experience has demonstrated that some of the other water quality initiatives in the ACP Program are critically important as well. When we are faced with these kinds of budget limitations the best we can really do is to maintain the commitment we have, and even then it is difficult to accomplish.

I would like to cite a number of examples of other types of water quality initiatives under this ACP Program that would be ill-affected if the gentleman's amendment would pass. During the current fiscal year we are spending \$1.8 million on national water quality demonstration projects, \$12.1 million on nonpoint source hydrological units, \$9.1 million on ACP water quality projects, and \$6.75 million on this program, the water quality incentives program.

Now, the administration has indicated to us, through the Department, that if this particular program is increased beyond the current level, these other water quality initiatives that I have mentioned would be reduced. So those are the tradeoffs we faced.

I sympathize with the gentleman's arguments on the merits of the program. I agree with him. The problem is we do not have the money to increase this program, while at the same time maintaining our commitment to other programs that are important.

So reluctantly, again I would urge my colleagues to reject the amendment.

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

Mr. MCHUGH. Yes; I yield to the gentleman from Indiana.

Mr. JONTZ. Mr. Chairman, I appreciate the fact there are other important programs included under the umbrella of ACP; but the gentleman is telling us, if I understand his point, that out of a \$194 million appropriation, we cannot spend \$30 million for water quality improvement because it would jeopardize the \$1.8 million, or would jeopardize the \$12 million?

Mr. MCHUGH. What I am saying to the gentleman is that in this fiscal year, out of the ACP program we are spending a little less than \$30 million for water quality initiatives in total. Among the money that we are spending for water quality initiatives, \$6.75 million is for the water quality incentives program.

In addition to that, we are spending \$1.8 million on national water quality demonstration projects, and so on.

So I am talking here about that part of the ACP program that deals with water quality initiatives.

The gentleman has focused on one part of that to the exclusion of the rest, and I am simply saying that the committee could not ignore the rest.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. MCHUGH. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. I would point out, Mr. Chairman, that a lot of the other money has to do with water quality. I mean, you are building terraces, you are doing numerous things that affect water quality: so water quality is not limited to that one little thing that has a water quality title.

Mr. JONTZ. Mr. Chairman, if the gentleman will yield further, is not \$174 million enough, or \$164 million for everything else? Is not \$164 million enough?

Here we are trying to increase this one appropriation to \$30 million, but that would still leave \$164 million for everything else.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. MCHUGH. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. By 1995, Mr. Chairman, the farmers in the gentleman's district and my district have got to have a soil conservation plan in place to qualify for any farm program. They have got to do that largely through the assistance they are going to get under ACP. They are under the gun. They have got to have this funding. They do not have enough now. That is the reason we provided SCS with an increase above the 1992 level.

Mr. MYERS of Indiana. Mr. Chairman, I move to strike the last word.

Mr. Chairman, to the gentleman from Indiana, my colleague, is this amendment No. 4 that the gentleman has offered?

Mr. JONTZ. Yes, if the gentleman will yield, it is amendment No. 4.

Mr. MYERS of Indiana. It adds \$23,250,000 to that program?

Mr. JONTZ. That is correct. If the gentleman will yield, last year there was a commitment in this bill to \$30 million of water quality money. Now there is no such commitment in this bill.

This would attempt to achieve that commitment by funding water quality improvement at \$30 million. That is what this proposal would do, but it would not change the overall appropriation for ACP. It would simply say that out of the \$194 million that is going to ACP, we would use—what, 15 percent.

Mr. MYERS of Indiana. The gentleman is redirecting \$23,250,000 from other programs to this program within ACP.

Mr. JONTZ. Mr. Chairman, could I ask the gentleman to repeat his question?

Mr. MYERS of Indiana. What the gentleman's amendment would do would be to redirect \$23,250,000 from other ACP programs into this program.

Mr. JONTZ. That is correct. The gentleman is absolutely correct.

Mr. MYERS of Indiana. Mr. Chairman, I thank the gentleman.

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

Would the gentleman from Indiana be kind enough to tell me a little bit more about this comment that was made about funding level for WQIP of \$30 million?

Mr. JONTZ. Mr. Chairman, if the gentleman will yield, that was the level that was noted in last year's appropriation bill, as I understand it.

Mr. DURBIN. We are having difficulty finding that. Does the gentleman have some reference on that?

Mr. JONTZ. Well, let me ask the gentleman, is \$30 million too much out of \$194 million to spend on WQIP?

Mr. DURBIN. I think my colleague, the gentleman from Iowa, has explained why it is too much, to cut from the agricultural conservation program.

This is the last year that the gentleman's farmers and my farmers have to come up with a conservation plan in order to qualify for the farm program.

□ 1550

The steps that they need to take to avoid soil erosion are consistent with our mutually held goals of environmental quality. For the gentleman to take money from the agricultural conservation program, which is seeking to avoid soil erosion, in the name of water quality I think is inconsistent.

In the earlier vote some people were coming to the well saying what is the environmentally proper vote on this issue? I would suggest to the gentleman that taking money out of the agricultural conservation program is not the environmentally proper vote because the gentleman is taking the wherewithal by which farmers are developing conservation techniques to avoid soil erosion, runoff, chemical runoff, nonpoint source pollution, and the like.

Mr. JONTZ. Mr. Chairman, will the gentleman yield for a moment?

Mr. DURBIN. I am happy to yield to the gentleman from Indiana.

Mr. JONTZ. I thank the gentleman for yielding.

The requirement that takes effect next year is the planning deadline.

Mr. DURBIN. Basically, they face a planning deadline.

Mr. JONTZ. Right. And the committee, to its credit, put additional money in for the Soil Conservation Service for technical assistance to help producers meet the planning deadline?

Mr. DURBIN. Yes.

Mr. JONTZ. So how will these construction programs help meet the planning deadline? They will not. The fact is that the gentleman is representing the situation that this ACP money is needed to meet the 1995 deadline, which it is not. It is not.

Mr. DURBIN. It is needed for the implementation deadline.

Mr. JONTZ. The 1995 implementation deadline; the deadline for implementa-

tion is not 1995. That is the planning deadline.

Mr. DURBIN. Reclaiming my time, the gentleman, I believe, is mistaken on that point. But I will allow my other colleagues to comment on it.

What I am saying to the gentleman is that he has a worthy goal; we share it. But he is taking money from a conservation program which is attempting to meet the same goal, to limit soil erosion.

Now, if the gentleman were standing here saying "I am not taking money from some environmentally sound program for an environmental program", perhaps he has a good point. But, in fact, he is robbing an environmentally important program, the conservation program, in order to fund another environmentally important program. The gentleman has now lived through the dilemma which this subcommittee faced and which the gentleman from New York [Mr. MCHUGH] has already described. We just do not have enough money to do it all.

Mr. JONTZ. If the gentleman would yield one more time, then why is it that the National Corn Growers, the National Pork Producers, the National Audubon Society, the National Wildlife Federation, all support this additional appropriation for WQIP? If this is not a better way of meeting the objectives of agricultural producers and the environment—to get the Audubon Society and the pork producers together on anything is quite an accomplishment. I would think the gentleman from Illinois [Mr. DURBIN] would rush to support such a proposal.

Mr. DURBIN. Let me say to my friend and colleague from Indiana we have more in common than not. But my guess is those organizations were very anxious to see the water quality incentive program funded. They might not be as anxious to see cuts in the agricultural conservation program, which the gentleman has suggested.

Unfortunately, that is the tradeoff, that is why I have to oppose the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. JONTZ].

The question was taken, and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 18, noes 396, not voting 20, as follows:

[Roll No. 245]

AYES—18

Bellenson	Jontz	Ramstad
Borski	Kostmayer	Sharp
Brown	Long	Sikorski
English	Murphy	Solarz
Ewing	Owens (UT)	Vento
Grandy	Porter	Waxman

NOES—396

Abercrombie	Duncan	Kopetski
Ackerman	Durbin	Kyl
Alexander	Dwyer	LaFalce
Allard	Early	Lagomarsino
Allen	Eckart	Lancaster
Anderson	Edwards (CA)	Lantos
Andrews (ME)	Edwards (OK)	LaRocco
Andrews (NJ)	Edwards (TX)	Laughlin
Andrews (TX)	Emerson	Leach
Annunzio	Engel	Lehman (CA)
Anthony	Erdreich	Lehman (FL)
Applegate	Espy	Lent
Archer	Evans	Levin (MI)
Armey	Fascell	Levine (CA)
Aspin	Fawell	Lewis (CA)
Atkins	Fazio	Lewis (FL)
AuCoin	Feighan	Lewis (GA)
Bacchus	Fields	Lightfoot
Baker	Fish	Lipinski
Ballenger	Flake	Livingston
Barnard	Foglietta	Lloyd
Barrett	Ford (MI)	Lowery (CA)
Barton	Ford (TN)	Lowe (NY)
Bateman	Frank (MA)	Luken
Bennett	Franks (CT)	Machtley
Bentley	Frost	Manton
Bereuter	Gallegly	Markey
Berman	Gallo	Marlenee
Billbray	Gaydos	Martinez
Billrakis	Gejdenson	Matsui
Blackwell	Gephardt	Mavroules
Billey	Geren	Mazzoli
Boehlert	Gibbons	McCandless
Boehner	Gilchrest	McCloskey
Boucher	Gillmor	McCollum
Boxer	Gilman	McCrery
Brewster	Gingrich	McCurdy
Broomfield	Glickman	McDade
Browder	Gonzalez	McDermott
Bruce	Goodling	McEwen
Bryant	Gordon	McGrath
Bunning	Goss	McHugh
Burton	Gradison	McMillan (NC)
Bustamante	Green	McMillen (MD)
Byron	Guarini	McNulty
Callahan	Gunderson	Meyers
Camp	Hall (OH)	Mfume
Campbell (CA)	Hall (TX)	Michel
Campbell (CO)	Hamilton	Miller (CA)
Cardin	Hammerschmidt	Miller (WA)
Carper	Hancock	Mineta
Carr	Hansen	Mink
Chandler	Harris	Moakley
Chapman	Hastert	Molinar
Clay	Hayes (IL)	Mollohan
Clement	Hayes (LA)	Montgomery
Clinger	Hefley	Moody
Coble	Henry	Moorhead
Coleman (MO)	Hergert	Moran
Coleman (TX)	Hertel	Morella
Collins (IL)	Hoagland	Morrison
Collins (MI)	Hobson	Mrazek
Combest	Hochbrueckner	Murtha
Condit	Holloway	Myers
Conyers	Hopkins	Nagle
Cooper	Horn	Natcher
Costello	Horton	Neal (MA)
Coughlin	Houghton	Neal (NC)
Cox (CA)	Hoyer	Nichols
Cox (IL)	Hubbard	Nowak
Coyne	Hughes	Nussle
Cramer	Hunter	Oakar
Crane	Hutto	Oberstar
Cunningham	Hyde	Obey
Dannemeyer	Inhofe	Olin
Darden	Ireland	Olver
Davis	Jacobs	Ortiz
de la Garza	James	Orton
DeFazio	Jefferson	Oxley
DeLauro	Jenkins	Packard
DeLay	Johnson (CT)	Pallone
Dellums	Johnson (SD)	Panetta
Derrick	Johnson (TX)	Parker
Dickinson	Johnston	Pastor
Dicks	Jones (NC)	Patterson
Dingell	Kanjorski	Paxon
Dixon	Kaptur	Payne (NJ)
Donnelly	Kasich	Payne (VA)
Dooley	Kennedy	Pease
Doolittle	Kennelly	Pelosi
Dorgan (ND)	Kildee	Penny
Dornan (CA)	Kieccka	Peterson (FL)
Downey	Klug	Peterson (MN)
Dreier	Kolbe	Petri

Pickett	Schaefer	Tanner
Pickle	Scheuer	Tauzin
Poshard	Schiff	Taylor (MS)
Price	Schroeder	Taylor (NC)
Pursell	Schulze	Thomas (CA)
Quillen	Schumer	Thomas (GA)
Rahall	Sensenbrenner	Thomas (WY)
Rangel	Serrano	Thornton
Ravenel	Shaw	Torres
Ray	Shays	Torricelli
Reed	Shuster	Towns
Regula	Sisisky	Trafiacant
Rhodes	Skaggs	Unsoeld
Richardson	Skeen	Upton
Riggs	Skelton	Valentine
Rinaldo	Slattery	Vander Jagt
Ritter	Slaughter	Viscosky
Roberts	Emth (FL)	Volkmer
Roe	Smith (IA)	Vucanovich
Roemer	Smith (NJ)	Walker
Rogers	Smith (OR)	Walsh
Rohrabacher	Smith (TX)	Waters
Ros-Lehtinen	Snowe	Weber
Rose	Solomon	Weiss
Rostenkowski	Spence	Weldon
Roth	Spratt	Wheat
Roukema	Staggers	Whitten
Rowland	Stallings	Wise
Roybal	Stark	Wolf
Russo	Stearns	Wolpe
Sabo	Stenholm	Wyden
Sanders	Stokes	Wyllie
Sangmeister	Studds	Yates
Santorum	Stump	Yatron
Sarpaluis	Sundquist	Young (AK)
Savage	Swett	Young (FL)
Sawyer	Swift	Zeliff
Saxton	Synar	Zimmer

NOT VOTING—20

Bevill	Huckaby	Ridge
Bonior	Jones (GA)	Tallon
Brooks	Kolter	Traxler
Dymally	Martin	Washington
Gekas	Miller (OH)	Williams
Hatcher	Owens (NY)	Wilson
Hefner	Perkins	

□ 1613

Messrs. KLECZKA, HAMMER-SCHMIDT, CUNNINGHAM, LIVINGSTON, and LEHMAN of Florida changed their vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

FORESTRY INCENTIVES PROGRAM

For necessary expenses, not otherwise provided for, to carry out the program of forestry incentives, as authorized in the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101), including technical assistance and related expenses, \$12,446,000, to remain available until expended, as authorized by that Act.

WATER BANK PROGRAM

For necessary expenses to carry into effect the provisions of the Water Bank Act (16 U.S.C. 1301-1311), \$18,620,000, to remain available until expended.

EMERGENCY CONSERVATION PROGRAM

For necessary expenses to carry into effect the program authorized in sections 401, 402, and 404 of title IV of the Agricultural Credit Act of 1978 (16 U.S.C. 2201-2205), \$3,000,000, to remain available until expended, as authorized by 16 U.S.C. 2204.

COLORADO RIVER BASIN SALINITY CONTROL PROGRAM

For necessary expenses for carrying out a voluntary cooperative salinity control program pursuant to section 202(c) of title II of the Colorado River Basin Salinity Control Act, as amended (43 U.S.C. 1592(c)), to be used to reduce salinity in the Colorado River

to enhance the supply and quality of water available for use in the United States and the Republic of Mexico, \$14,783,000, to remain available until expended (7 U.S.C. 2209b), to be used for investigations and surveys, for technical assistance in developing conservation practices and in the preparation of salinity control plans, for the establishment of on-farm irrigation management systems, including related lateral improvement measures, for making cost-share payments to agricultural landowners and operators, Indian tribes, irrigation districts and associations, local governmental and non-governmental entities, and other landowners to aid them in carrying out approved conservation practices as determined and recommended by the county ASC committees, approved by the State ASC committees and the Secretary, and for associated costs of program planning, information and education, and program monitoring and evaluation: *Provided*, That the Soil Conservation Service shall provide technical assistance and the Agricultural Stabilization and Conservation Service shall provide administrative services for the program, including but not limited to, the negotiation and administration of agreements and the disbursement of payments: *Provided further*, That such program shall be coordinated with the regular Agricultural Conservation Program and with research programs of other agencies.

CONSERVATION RESERVE PROGRAM
(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the conservation reserve program pursuant to the Food Security Act of 1985 (16 U.S.C. 3831-3845), \$1,578,517,000, to remain available until expended, to be used for Commodity Credit Corporation expenditures for cost-share assistance for the establishment of conservation practices provided for in approved conservation reserve program contracts, for annual rental payments provided in such contracts, and for technical assistance: *Provided*, That none of the funds in this Act may be used to enter into new contracts that are in excess of the prevailing local rental rates for an acre of comparable land.

TITLE III—FARMERS HOME AND RURAL DEVELOPMENT PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR SMALL COMMUNITY AND RURAL DEVELOPMENT

For necessary salaries and expenses of the Office of the Under Secretary for Small Community and Rural Development to administer programs under the laws enacted by the Congress for the Farmers Home Administration, Rural Development Administration, Rural Electrification Administration, and Federal Crop Insurance Corporation, \$572,000.

RURAL DEVELOPMENT ADMINISTRATION
(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Rural Development Administration, not otherwise provided for, in administering the rural development programs of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921-2000), as amended, section 1323 of the Food Security Act of 1985 (7 U.S.C. 1932 note), and title VI of the Rural Development Act of 1972, \$37,066,000; of which \$14,787,000 is hereby appropriated, \$21,755,000 shall be derived by transfer from the Rural Development Insurance Fund Program Account in this Act and merged with this account, and \$524,000 shall be derived by transfer from the Rural Development Loan Fund Program Account in this Act and merged with this account: *Provided*, That not to exceed \$500,000 shall be for employment under 5 U.S.C. 3109.

FARMERS HOME ADMINISTRATION
RURAL HOUSING INSURANCE FUND PROGRAM
ACCOUNT

For gross obligations for the principal amount of direct and guaranteed loans as authorized by title V of the Housing Act of 1949, as amended, to be available from funds in the Rural Housing Insurance Fund, as follows: \$1,624,500,000 for loans to section 502 borrowers, as determined by the Secretary, of which \$329,500,000 shall be for unsubsidized guaranteed loans; \$11,330,000 for section 504 housing repair loans; \$16,300,000 for section 514 farm labor housing; \$500,000,000 for section 515 rental housing; \$600,000 for site loans; and \$200,000,000 for credit sales of acquired property.

For the cost of direct and guaranteed loans, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of 1974, as follows: low-income housing section 502 loans, \$309,254,000, of which \$6,096,000 shall be for unsubsidized guaranteed loans; section 504 housing repair loans, \$4,578,000; section 514 farm labor housing, \$8,029,000; section 515 rental housing, \$356,550,000; and credit sales of acquired property, \$26,780,000.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, \$427,111,000.

RENTAL ASSISTANCE PROGRAM

For rental assistance agreements entered into or renewed pursuant to the authority under section 521(a)(2) of the Housing Act of 1949, as amended, \$319,900,000; and in addition such sums as may be necessary, as authorized by section 521(c) of the Act, to liquidate debt incurred prior to fiscal year 1993 to carry out the Rental Assistance Program under section 521(a)(2) of the Act: *Provided*, That of this amount not more than \$11,800,000 shall be available for debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Act, and not to exceed \$10,000 per project for advances to nonprofit organizations or public agencies to cover direct costs (other than purchase price) incurred in purchasing projects pursuant to section 502(c)(5)(C) of the Act: *Provided further*, That of this amount not less than \$128,158,000 is available for newly constructed units financed by section 515 of the Housing Act of 1949, as amended, and not more than \$5,214,000 is for newly constructed units financed under sections 514 and 516 of the Housing Act of 1949: *Provided further*, That \$174,728,000 is available for expiring agreements and for servicing of existing units without agreements: *Provided further*, That agreements entered into or renewed during fiscal year 1993 shall be funded for a five-year period, although the life of any such agreement may be extended to fully utilize amounts obligated: *Provided further*, That agreements entered into or renewed during fiscal years 1989, 1990, 1991, and 1992 may also be extended beyond five years to fully utilize amounts obligated.

SELF-HELP HOUSING LAND DEVELOPMENT FUND
PROGRAM ACCOUNT

For direct loans pursuant to section 523(b)(1)(B) of the Housing Act of 1949, as amended (42 U.S.C. 1490c), \$500,000.

For an amount, for the cost, as defined in section 502 of the Congressional Budget Act of 1974, of direct loans, \$22,000.

In addition, for administrative expenses necessary to carry out the direct loan program, \$21,000.

AGRICULTURAL CREDIT INSURANCE FUND
PROGRAM ACCOUNT

For gross obligations for the principal amount of direct and guaranteed loans as au-

thorized by 7 U.S.C. 1928-1929, to be available from funds in the Agricultural Credit Insurance Fund, as follows: farm ownership loans, \$555,500,000, of which \$488,750,000 shall be for guaranteed loans; operating loans, \$2,588,354,000, of which \$1,500,000,000 shall be for unsubsidized guaranteed loans and \$238,354,000 shall be for subsidized guaranteed loans; \$3,752,000 for water development, use, and conservation loans, of which \$1,415,000 shall be for guaranteed loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, \$1,000,000; for emergency insured loans, \$115,000,000 to meet the needs resulting from natural disasters; and for credit sales of acquired property, \$125,000,000.

For the cost of direct and guaranteed loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, as follows: farm ownership loans, \$33,599,000, of which \$20,576,000 shall be for guaranteed loans; operating loans, \$161,765,000, of which \$15,350,000 shall be for unsubsidized guaranteed loans and \$18,150,000 shall be for subsidized guaranteed loans; \$499,000 for water development, use, and conservation loans, of which \$43,000 shall be for guaranteed loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, \$226,000; for emergency insured loans, \$30,762,000 to meet the needs resulting from natural disasters; and for credit sales of acquired property, \$31,825,000.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, \$230,179,000.

STATE MEDIATION GRANTS

For grants pursuant to section 502(b) of the Agricultural Credit Act of 1987, as amended (7 U.S.C. 5101-5106), \$2,750,000.

RURAL DEVELOPMENT INSURANCE FUND
PROGRAM ACCOUNT

For gross obligations for the principal amount of direct and guaranteed loans as authorized by 7 U.S.C. 1928 and 86 Stat. 661-664, as amended, to be available from funds in the Rural Development Insurance Fund, as follows: water and sewer facility loans, \$635,000,000, of which \$35,000,000 shall be for guaranteed loans; community facility loans, \$200,000,000, of which \$100,000,000 shall be for guaranteed loans; and guaranteed industrial development loans, \$100,000,000: *Provided*, That none of the funds made available in this Act may be used to make transfers between the above limitations.

For the cost of direct and guaranteed loans, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of 1974, as follows: water and sewer facility loans, \$87,360,000; community facility loans, \$8,410,000; and guaranteed industrial development loans, \$5,440,000.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, \$58,208,000.

RURAL DEVELOPMENT LOAN FUND PROGRAM
ACCOUNT

For the cost of direct loans \$16,260,000, as authorized by the Rural Development Loan Fund (42 U.S.C. 9812 (a)): *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans of not to exceed \$28,387,000.

In addition, for administrative expenses necessary to carry out the direct loan programs, \$529,000.

RURAL WATER AND WASTE DISPOSAL GRANTS

For grants pursuant to sections 306(a)(2) and 306(a)(6) of the Consolidated Farm and

Rural Development Act, as amended (7 U.S.C. 1926), \$400,000,000, to remain available until expended, pursuant to section 306(d) of the above Act: *Provided*, That of this amount, \$25,000,000 shall be available for water systems to benefit the Colonias along the U.S./Mexico border, including grants pursuant to section 306(c)(1): *Provided further*, That these funds shall not be used for any purpose not specified in section 306(a) of the Consolidated Farm and Rural Development Act.

VERY LOW-INCOME HOUSING REPAIR GRANTS

For grants to the very low-income elderly for essential repairs to dwellings pursuant to section 504 of the Housing Act of 1949, as amended, \$12,500,000, to remain available until expended.

RURAL HOUSING FOR DOMESTIC FARM LABOR

For financial assistance to eligible nonprofit organizations for housing for domestic farm labor, pursuant to section 516 of the Housing Act of 1949, as amended (42 U.S.C. 1486), \$11,000,000, to remain available until expended.

MUTUAL AND SELF-HELP HOUSING

For grants and contracts pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42 U.S.C. 1490c), \$8,750,000, to remain available until expended (7 U.S.C. 2209b).

SUPERVISORY AND TECHNICAL ASSISTANCE GRANTS

For grants pursuant to sections 509(g)(6) and 525 of the Housing Act of 1949, \$2,500,000, to remain available until expended.

RURAL COMMUNITY FIRE PROTECTION GRANTS

For grants pursuant to section 7 of the Cooperative Forestry Assistance Act of 1978 (Public Law 95-313), \$3,500,000 to fund up to 50 percent of the cost of organizing, training, and equipping rural volunteer fire departments.

COMPENSATION FOR CONSTRUCTION DEFECTS

For compensation for construction defects as authorized by section 509(c) of the Housing Act of 1949, as amended, \$500,000, to remain available until expended.

RURAL HOUSING PRESERVATION GRANTS

For grants for rural housing preservation as authorized by section 552 of the Housing and Urban-Rural Recovery Act of 1983 (Public Law 98-181), \$23,000,000.

RURAL DEVELOPMENT GRANTS

For grants authorized under section 310B(c) (7 U.S.C. 1932) of the Consolidated Farm and Rural Development Act to any qualified public or private nonprofit organization, \$20,750,000: *Provided*, That \$500,000 shall be available for grants to qualified nonprofit organizations to provide technical assistance and training for rural communities needing improved passenger transportation systems or facilities in order to promote economic development.

SOLID WASTE MANAGEMENT GRANTS

For grants for pollution abatement and control projects authorized under section 310B(b) (7 U.S.C. 1932) of the Consolidated Farm and Rural Development Act, \$3,000,000: *Provided*, That such assistance shall include regional technical assistance for improvement of solid waste management.

OFFICE OF THE ADMINISTRATOR

For necessary salaries and expenses of the Office of the Administrator of the Farmers Home Administration, \$600,000: *Provided*, That no other funds in this Act shall be available for this Office.

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Farmers Home Administration, not otherwise provided for, in administering the programs authorized by the Consolidated Farm and Rural Development Act (7 U.S.C. 1921-2000), as amended; title V of the Housing Act of 1949, as amended (42 U.S.C. 1471-1490c); the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U.S.C. 440-444), for administering the loan program authorized by title III-A of the Economic Opportunity Act of 1964 (Public Law 88-452 approved August 20, 1964), as amended, and such other programs which the Farmers Home Administration has the responsibility for administering, \$679,920,000; of which \$23,802,000 is hereby appropriated, \$404,846,000 shall be derived by transfer from the Rural Housing Insurance Fund Program Account in this Act and merged with this account, \$215,712,000 shall be derived by transfer from the Agriculture Credit Insurance Fund Program Account in this Act and merged with this account, \$35,539,000 shall be derived by transfer from the Rural Development Insurance Fund Program Account in this Act and merged with this account, and \$21,000 shall be derived by transfer from the Self-Help Housing Land Development Fund Program Account in this Act and merged with this account: *Provided*, That not to exceed \$500,000 of this appropriation may be used for employment under 5 U.S.C. 3109: *Provided further*, That not to exceed \$3,985,000 of this appropriation shall be available for contracting with the National Rural Water Association or other equally qualified national organization for a circuit rider program to provide technical assistance for rural water systems: *Provided further*, That, in addition to any other authority that the Secretary may have to defer principal and interest and forego foreclosure, the Secretary may permit, at the request of the borrowers, the deferral of principal and interest on any outstanding loan made, insured, or held by the Secretary under this title, or under the provisions of any other law administered by the Farmers Home Administration, and may forego foreclosure of any such loan, for such period as the Secretary deems necessary upon a showing by the borrower that due to circumstances beyond the borrower's control, the borrower is temporarily unable to continue making payments of such principal and interest when due without unduly impairing the standard of living of the borrower. The Secretary may permit interest that accrues during the deferral period on any loan deferred under this section to bear no interest during or after such period: *Provided*, That, if the security instrument securing such loan is foreclosed, such interest as is included in the purchase price at such foreclosure shall become part of the principal and draw interest from the date of foreclosure at the rate prescribed by law.

RURAL ELECTRIFICATION ADMINISTRATION

To carry into effect the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-950(b)), as follows:

RURAL ELECTRIFICATION AND TELEPHONE LOANS PROGRAM ACCOUNT

Insured loans pursuant to the authority of section 305 of the Rural Electrification Act of 1936, as amended (7 U.S.C. 935), shall be made as follows: rural electrification loans, not less than \$625,035,000 nor more than \$933,075,000; and rural telephone loans, not less than \$219,325,000 nor more than \$311,025,000; to remain available until ex-

ended: *Provided*, That loans made pursuant to section 306 of that Act are in addition to these amounts but during fiscal year 1993 total commitments to guarantee loans pursuant to section 306 shall be not less than \$933,075,000 nor more than \$2,100,615,000 of contingent liability for total loan principal: *Provided further*, That loans may be modified in an amount not to exceed \$266,000,000: *Provided further*, That as a condition of approval of insured electric loans during fiscal year 1993, borrowers shall obtain concurrent supplemental financing in accordance with the applicable criteria and ratios in effect as of July 15, 1982: *Provided further*, That no funds appropriated in this Act may be used to deny or reduce loans or loan advances based upon a borrower's level of general funds: *Provided further*, That no funds appropriated in this Act may be used to implement any other criteria, ratio, or test to deny or reduce loans or loan advances.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of direct and guaranteed loans authorized by the Rural Electrification Act of 1936, as amended (7 U.S.C. 935), as follows: cost of direct loans, \$157,609,000; cost of loans guaranteed pursuant to section 306, \$35,475,000; and for loan modifications, \$47,880,000.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, \$29,163,000.

RURAL TELEPHONE BANK PROGRAM ACCOUNT

The Rural Telephone Bank is hereby authorized to make such expenditures, within the limits of funds available to such corporation in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out its authorized programs for the current fiscal year. During fiscal year 1993 and within the resources and authority available, gross obligations for the principal amount of direct loans shall be not less than \$177,045,000 nor more than \$210,540,000.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of direct loans authorized by the Rural Electrification Act of 1936, as amended (7 U.S.C. 935), \$35,000. In addition, for administrative expenses necessary to carry out the loan programs, \$8,632,000.

DISTANCE LEARNING AND MEDICAL LINK PROGRAMS

For necessary expenses to carry into effect the programs authorized in sections 2331-2335 of Public Law 101-624, \$5,000,000, to remain available until expended.

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

For loans authorized under section 313 of the Rural Electrification Act, for the purpose of promoting rural economic development and job creation projects, \$9,215,000.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of direct loans, \$2,546,000.

OFFICE OF THE ADMINISTRATOR

For necessary salaries and expenses of the Office of the Administrator of the Rural Electrification Administration, \$243,000: *Provided*, That no other funds in this Act shall be available for this Office.

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For administrative expenses to carry out the provisions of the Rural Electrification

Act of 1936, as amended (7 U.S.C. 901-950(b)), and to administer the loan and loan guarantee programs for Community Antenna Television facilities as authorized by the Consolidated Farm and Rural Development Act (7 U.S.C. 1921-1995), and for which commitments were made prior to fiscal year 1993, including not to exceed \$7,000 for financial and credit reports, funds for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$103,000 for employment under 5 U.S.C. 3109, \$37,795,000; of which \$29,163,000 shall be derived by transfer from the Rural Electrification and Telephone Loans Program Account in this Act and \$8,632,000 shall be derived by transfer from the Rural Telephone Bank Program Account in this Act: *Provided*, That none of the funds in this Act may be used to authorize the transfer of additional funds to this account from the Rural Telephone Bank: *Provided further*, That none of the salaries and expenses provided to the Rural Electrification Administration, and none of the responsibilities assigned by law to the Administrator of the Rural Electrification Administration may be reassigned or transferred to any other agency or office.

TITLE IV—DOMESTIC FOOD PROGRAMS

OFFICE OF THE ASSISTANT SECRETARY FOR FOOD AND CONSUMER SERVICES

For necessary salaries and expenses of the Office of the Assistant Secretary for Food and Consumer Services to administer the laws enacted by the Congress for the Food and Nutrition Service and the Human Nutrition Information Service, \$542,000.

FOOD AND NUTRITION SERVICE

CHILD NUTRITION PROGRAMS

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the National School Lunch Act (42 U.S.C. 1751-1769b), and the applicable provisions other than sections 3 and 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1773-1785, and 1788-1789), \$6,674,521,000, to remain available through September 30, 1994; of which \$2,384,066,000 is hereby appropriated and \$4,290,455,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): *Provided*, That funds appropriated for the purpose of section 7 of the Child Nutrition Act of 1966 shall be allocated among the States but the distribution of such funds to an individual State is contingent upon that State's agreement to participate in studies and surveys of programs authorized under the National School Lunch Act and the Child Nutrition Act of 1966, when such studies and surveys have been directed by the Congress and requested by the Secretary of Agriculture: *Provided further*, That if the Secretary of Agriculture determines that a State's administration of any program under the National School Lunch Act or the Child Nutrition Act of 1966 (other than section 17), or the regulations issued pursuant to these Acts, is seriously deficient, and the State fails to correct the deficiency within a specified period of time, the Secretary may withhold from the State some or all of the funds allocated to the State under section 7 of the Child Nutrition Act of 1966 and under section 13(k)(1) of the National School Lunch Act; upon a subsequent determination by the Secretary that the programs are operated in an acceptable manner some or all of the funds withheld may be allocated: *Provided further*, That only final reimbursement claims for service of meals, supplements, and milk submitted to State agencies by eligible schools, summer camps,

institutions, and service institutions within sixty days following the month for which the reimbursement is claimed shall be eligible for reimbursement from funds appropriated under this Act. States may receive program funds appropriated under this Act for meals, supplements, and milk served during any month only if the final program operations report for such month is submitted to the Department within ninety days following that month. Exceptions to these claims or reports submission requirements may be made at the discretion of the Secretary: *Provided further*, That up to \$4,083,000 shall be available for independent verification of school food service claims: *Provided further*, That \$1,322,000 shall be available to operate the Food Service Management Institute.

SPECIAL MILK PROGRAM

For necessary expenses to carry out the special milk program, as authorized by section 3 of the Child Nutrition Act of 1966 (42 U.S.C. 1772), \$14,898,000, to remain available through September 30, 1994. Only final reimbursement claims for milk submitted to State agencies within sixty days following the month for which the reimbursement is claimed shall be eligible for reimbursement from funds appropriated under this Act. States may receive program funds appropriated under this Act only if the final program operations report for such month is submitted to the Department within ninety days following that month. Exceptions to these claims or reports submission requirements may be made at the discretion of the Secretary.

SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

For necessary expenses to carry out the special supplemental food program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), \$2,860,000,000, to remain available through September 30, 1994.

COMMODITY SUPPLEMENTAL FOOD PROGRAM

For necessary expenses to carry out the commodity supplemental food program as authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c (note)), including not less than \$8,000,000 for the projects in Detroit, New Orleans, and Des Moines, \$94,500,000, to remain available through September 30, 1994: *Provided*, That none of these funds shall be available to reimburse the Commodity Credit Corporation for commodities donated to the program.

FOOD STAMP PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the Food Stamp Act (7 U.S.C. 2011-2029), \$26,719,691,000; of which \$2,500,000,000 shall be available only to the extent an official budget request, for a specific dollar amount, is transmitted to the Congress: *Provided*, That funds provided herein shall remain available through September 30, 1993, in accordance with section 18(a) of the Food Stamp Act: *Provided further*, That up to 5 per centum of the foregoing amount may be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use only in such amounts and at such times as may become necessary to carry out program operations: *Provided further*, That funds provided herein shall be expended in accordance with section 16 of the Food Stamp Act: *Provided further*, That this appropriation shall be subject to any work registration or work fare requirements as may be required by law: *Provided further*, That \$345,000,000 of the funds provided herein shall be available

only to the extent necessary after the Secretary has employed the regulatory and administrative methods available to him under the law to curtail fraud, waste, and abuse in the program: *Provided further*, That \$1,051,000,000 of the foregoing amount shall be available for Nutrition Assistance for Puerto Rico as authorized by 7 U.S.C. 2028, of which \$10,825,000 shall be transferred to the Animal and Plant Health Inspection Service for the Cattle Tick Eradication Project.

FOOD DONATIONS PROGRAMS FOR SELECTED GROUPS

For necessary expenses to carry out section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c (note)), section 4(b) of the Food Stamp Act (7 U.S.C. 2013(b)), and section 311 of the Older Americans Act of 1965, as amended (42 U.S.C. 3030a), \$224,513,000.

For necessary expenses to carry out section 110 of the Hunger Prevention Act of 1988, \$32,000,000.

THE EMERGENCY FOOD ASSISTANCE PROGRAM

For necessary expenses to carry out the Emergency Food Assistance Act of 1983, as amended, \$45,000,000: *Provided*, That, in accordance with section 202 of Public Law 98-92, these funds shall be available only if the Secretary determines the existence of excess commodities.

For purchases of commodities to carry out the Emergency Food Assistance Act of 1983, as amended, \$120,000,000.

FOOD PROGRAM ADMINISTRATION

For necessary administrative expenses of the domestic food programs funded under this Act, \$103,535,000; of which \$5,000,000 shall be available only for simplifying procedures, reducing overhead costs, tightening regulations, improving food stamp coupon handling, and assistance in the prevention, identification, and prosecution of fraud and other violations of law: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$150,000 shall be available for employment under 5 U.S.C. 3109.

HUMAN NUTRITION INFORMATION SERVICE

For necessary expenses to enable the Human Nutrition Information Service to perform applied research and demonstrations relating to human nutrition and consumer use and economics of food utilization, and nutrition monitoring, \$10,788,000: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225).

Mr. McHUGH (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of title II and all of title III and IV be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. Are there any points or order to these provisions of the bill?

The Chair hears none.

The Committee will rise informally in order that the House may receive a message.

MESSAGE FROM THE PRESIDENT

The SPEAKER pro tempore. (Mr. PANNETT) assumed the chair.

The SPEAKER pro tempore. The Chair will receive a message.

A message in writing from the President of the United States was communicated to the House by Mr. McCathran, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1993

The Committee resumed its sitting.

The CHAIRMAN. Are there any amendments to title IV of the bill?

The Clerk will read.

The Clerk read as follows:

TITLE V—FOREIGN ASSISTANCE AND RELATED PROGRAMS

FOREIGN AGRICULTURAL SERVICE

For necessary expenses of the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954, as amended (7 U.S.C. 1761-1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$125,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), \$110,023,000: *Provided*, That this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis.

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

Mr. Chairman, as a longtime critic of the Market Promotion Program [MPP] and its predecessor, the Targeted Export Assistance Program [TEA], I'd like to commend the committee for taking a major step to scale back this wasteful program. The cut of more than 60 percent, from \$200 million to \$75 million shows that the veil on this program has been pierced. The program is finally being recognized for what it really is—a bloated corporate welfare program. I am glad that Members of Congress are finally looking at this program with a skeptical eye.

Since 1987 when I asked the GAO to conduct the first of several reviews of this program, I have had serious concerns about its purpose and its administration.

However, the fundamental question underlying MPP is this: In a time of runaway budget deficits, should the Federal Government be subsidizing the already huge advertising budgets of megacorporations like General Mills, McDonald's, Sunkist, and Oscar Mayer? Should the American public be shelling out money to advertise brand name products like M&M's, Gallo wine, and Paul Newman's salad dressing. I

say no. I think if you were to ask a random sample of taxpayers this question you'd also get a resounding "no." Unfortunately, the louder voices of a few large special interests have been successful in keeping these wasteful aspects of MPP alive. At least until now.

I do not advocate the complete elimination of the program. The Government can and should play an important role in helping private companies promote their products in foreign markets. Increasing exports and expanding foreign markets help our total economy. However, this program has gone too far and has been completely unfocused and unscientific.

The committee's action will go a long way toward forcing USDA and the private marketing organizations that dole out MPP funds to channel money where it's really needed. However, we need to take further legislative action to set restrictions on who gets MPP funds, how they are used, and for how long. I look forward to working with Congressman KOSTMAYER and others on legislation to correct continuing program defects.

Over the years, the GAO has laid out a litany of conceptual and operational problems with MPP. Some of these have been addressed by the Foreign Agricultural Service [FAS]. Many of the more fundamental problems have not.

The GAO's latest examination, the preliminary results of which have been released, reviewed the MPP activities of seven participants in Japan. Their findings are troubling to say the least. While there are some success stories, there are too many failures.

Several of the promotional activities were completely useless because no market research had been conducted. The wrong type of Valentine's candy was targeted at the wrong audience and was displayed in location and manner that made it unappealing. The California raisin ads featuring the now-famous singing and dancing raisins frightened off the small children that they were intended to attract.

The GAO has stated:

The Market Promotion Program's broad goals of encouraging the development, maintenance, and expansion of agricultural exports can be used to justify program support under any market situation (emphasis added).

This makes even thorough evaluation of the program a very slippery exercise. However, there has been little attempt to conduct any kind of scientific assessment. The GAO has found that FAS has completed only 10 program evaluations since the MPP was established in 1986.

What has the MPP's funding level said about our priorities? The GAO has pointed out that the entire Federal Government spends about \$2.7 billion annually on export promotion. While agricultural products account for only 10 percent of total U.S. exports, USDA spends about \$2 billion, or 75 percent of

the Government total. Something has clearly been out of whack.

For too long, we have been wasting precious money on people who don't really need it. Too often MPP seems to be a program in search of a problem. A quote and a picture illustrate this well.

The quote: Ursula Hotchner, an official from Newman's Own, Paul Newman's food company was asked why the company was selected to receive TEA funding. "I don't know," she said. "Someone from the export council called me up one day from out of the blue and asked why don't we take the money. They said all we had to do was send in our advertising bills and they'd reimburse us. I figured, why not?"

The picture: On page 7 of the February 1989 issue of Northeast International Business sits Mr. Chris Catranis, Executive Director of the eastern U.S. Agriculture and Food Export Council, one of the nonprofit organizations through which MPP money is channeled. Mr. Catranis sits at his desk thrusting one dollar bill toward the camera. On the desk are two huge sacks of money. The picture's caption is titled "Mr. Money Bags." Says Mr. Money Bags—

We've got a bag of money here and we're desperate for companies to give it to. Almost anybody who comes in here with a half decent program, who's willing to put up a 50 percent advertising match * * * will qualify for the money.

Is this a program we have really needed in its current form?

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

Mr. Chairman, the gentleman from New York [Mr. SCHUMER] has made some remarks critical of the MPP that need a response.

American agricultural exports account for about \$40 billion in annual sales. Agriculture provides a positive balance of payments in the U.S. trade account of approximately \$17 billion.

Future growth in U.S. agriculture will depend on export growth. Expansion of agricultural exports is critical for related sectors of the economy.

Each U.S. dollar of agricultural exports generates an additional \$1.59 in economic growth. Every \$1 billion in agricultural exports maintains 27,000 jobs.

MPP will be even more important as the GATT talks are once again moving forward. As you know, marketing assistance has already been ruled to be an acceptable form of government assistance in the talks.

MPP funds are matched on a one-to-one basis.

Secretary Madigan sent a letter to Members in which he clearly states the administration's strong support for MPP. It is an excellent letter that explains the program, how it works and what the benefits are for American agriculture.

I cannot understand why anyone would want to disrupt or eliminate one of the few programs that will be permitted to remain under GATT. Virtually every other country has developed programs similar to MPP. Under the amendments being offered today, we are

essentially telling our Nation's farmers that we will once again turn our backs on them.

American agricultural products are of the highest quality in the world. The only way we can sell our products is by marketing our high-quality products. MPP provides U.S. agriculture with the resources to do this marketing. In most cases, U.S. agricultural products are more expensive than those of our foreign competitors. The only advantage we have is quality.

According to Secretary Madigan:

The European Community, our main competitor in the high-value market, paid out direct subsidies of nearly \$1.5 billion to producers and exporters of high-value products.

Many claim that MPP does not support small farmers. To the contrary, small businesses accounted for 84 percent of the 287 firms participating in the MPP last year.

Many of the large corporations that the Kostmayer amendments seek to cut out of the MPP are actually cooperatives, like Sunkist and Blue Diamond.

The benefits derived from successful marketing overseas are returned directly to the cooperatives, which are owned and operated by the individual growers. Most of these coop members are small businesses.

Without MPP, coops would not be able to advertise effectively overseas. Cooperatives are limited in the amount they can assess their members for advertising.

An amendment proposed by Mr. KOSTMAYER would deny these individual coop members the benefits of MPP. Blue Diamond's almond exports have increased by 33 percent since the beginning of Target Export Assistance/Market Promotion Program. Sunkist has also experienced significant growth with total annual exports valued at \$400 million. Prune exports have increased by 41 percent since the inception of the MPP program.

Without MPP, coops would not be able to advertise effectively overseas. Cooperatives are limited in the amount they can assess their members for advertising.

The Kostmayer amendment also seeks to eliminate the use of MPP funds for advertising brand-name products. I cannot think of anything more ludicrous. Without being able to advertise Sunkist oranges, Sun-Maid raisins, or Blue Diamond almonds, consumers cannot differentiate between U.S. and foreign products. They will simply go to the store to look for almonds, and buy the cheapest brand. If that happens, we are out of business.

Many members have used the McDonald's example as evidence of abuse and corporate welfare in MPP. I think members simply do not understand how the MPP works.

The purpose of the Market Promotion Program is to open up new markets for U.S. agricultural products overseas. As everyone knows, McDonald's has thousands of stores overseas. At the same time, these stores are not required to purchase U.S. products, and in many cases they do not.

McDonald's has 42 stores in Singapore and 59 stores in Hong Kong. And, even though McDonald's has its own poultry processing plant in Malaysia, all 101 stores in Hong Kong and Singapore use only U.S. poultry and egg products. Why? Because of the MPP.

These 101 stores bought over \$12 million worth of U.S. poultry products in 1991, which

supported over 3,780 American jobs. This growth started from zero sales in both markets just 3 years ago.

United States poultry exporters were able to use MPP funds as leverage to require McDonald's stores in Singapore and Hong Kong to buy United States poultry products. MPP was used to advertise jointly McDonald's Chicken McNuggets and the U.S. poultry industry. As a consequence of McDonald's accepting this advertising arrangement, which used MPP funds, the American poultry industry locked these stores into buying U.S. products for 1 year.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

PUBLIC LAW 480 PROGRAM ACCOUNT
(INCLUDING TRANSFERS OF FUNDS)

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1691, 1701-1715, 1721-1726, 1727-1727f, 1731-1736g), as follows: (1) \$511,619,000 for Public Law 480 title I credit, including Food for Progress credit; (2) \$52,185,000 is hereby appropriated for ocean freight differential costs for the shipment of agricultural commodities pursuant to title I of said Act and the Food for Progress Act of 1985, as amended; (3) \$763,842,000 is hereby appropriated for commodities supplied in connection with dispositions abroad pursuant to title II of said Act; and (4) \$333,594,000 is hereby appropriated for commodities supplied in connection with dispositions abroad pursuant to title III of said Act: *Provided*, That not to exceed 10 per centum of the funds made available to carry out any title of said Act may be used to carry out any other title of said Act: *Provided further*, That such sums shall remain available until expended (7 U.S.C. 2209b).

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of direct credit agreements as authorized by the Agricultural Trade Development and Assistance Act of 1954, as amended, and the Food for Progress Act of 1985, as amended, including the cost of modifying credit agreements under said Act, \$343,092,000.

□ 1620

AMENDMENTS OFFERED BY MR. MILLER OF WASHINGTON

Mr. MILLER of Washington. Mr. Chairman, I offered an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Washington: Page 69, line 2, strike "\$343,092,000" and insert "\$100,740,000".

Mr. MILLER of Washington. Mr. Chairman, last week in the Foreign Operations Assistance bill we started the debate on the efficacy of foreign aid and how we could improve and prune and reform foreign aid.

At that time I offered, with the support of several of my colleagues, an amendment to reduce the increase in capital contributions to some of the multilateral development banks.

Today we move to the Food Assistance program, and I must tell my colleagues here, as with the multilateral development banks and as with AID administration, I fear that not only are we developing in this country opposi-

tion to foreign assistance from isolationists to the left and right, who are just opposed to any assistance, but more and more groups that have supported foreign assistance and want to see it work are becoming increasingly disenchanted.

We have another example before us today and a chance to make a significant reform. The amendment I offer strikes approximately 240 million from the Public Law 480 Program, not from the part of the program that provides food aid for famine, for disaster relief, for all the worthwhile purposes that foreign assistance food aid should be for. There is a noble purpose here. It goes back to 1812, when we gave Venezuela food assistance after the earthquake and even in the 1800's, again when we came to the assistance of Ireland.

But lately there has been a shift in this program, and instead of giving food when there are emergencies, when there is famine, when there is disasters, more and more of these programs have taken on the air of subsidies that support American interests at home, go to foreign governments, frequently dictators abroad, and result not in helping people avoid famine but help in depressing the growth of the farm economy of the recipient nation and, thus, making it even harder to feed people.

As a result, a coalition of groups has been formed, ranging from taxpayer to environmental to poverty groups, that have become disenchanted with the title 1 part of the Public Law 480 Program, disenchanted that this program of concessionary loans often depresses local farm production, has put Korean farmers out of business in the 1960's and then, in the 1970's, resulted in competition in Somalia with local farmers and, in the 1980's, dumped nonfat dried milk into El Salvador and destroyed a growing Salvadoran dairy industry and, recently, recently continuously has dumped wheat in Egypt, helping to frustrate efforts to develop a wheat farming industry in Egypt, resulting in so much of that flour going in that it is not going to feed hungry people, it is being used to feed livestock.

All of that or most of that came out in a report done by our House Committee on Agriculture just 1 year or 2 ago. But not only has this had a harmful effect on some of the recipient nations. The result of this program has frequently been to actually displace market-based exports from this country and imports by these other nations. That has been attested to by CRS.

And not only that, this program has often discouraged the growth of free enterprise farm economies. It has encouraged countries like Tanzania and Ghana to set up multiple agencies which regulate and reregulate and subsidize and control their agriculture production, with the result that we are

not achieving what we want to do. We are not helping free farm economies to grow and prosper.

So what I am asking this House to do, a couple of weeks after we voted on the balanced budget amendment and rejected it, here is a chance to make a cut, a substantial cut, \$240 million, and a cut that will not only save money, it will bring about some long overdue reforms to our food aid program.

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

Mr. Chairman, let me say that the efforts of the gentleman from Washington [Mr. MILLER] in trying to reform this program are really based on trying to have an overall foreign aid program and, to a large degree, this provision of the bill is related to foreign aid, a foreign aid program that really does what is really originally intended.

What we are trying to say is that it does not make any sense to have a program under this Public Law 480 Program that results literally in the destruction of domestic economies throughout the world. We can focus on a number of them, but one I guess that we should focus on immediately would be El Salvador and what the gentleman raised, the point that the gentleman from Washington raised about the milk issue in El Salvador.

Some Member, I believe, is going to be offering an amendment to one of these bills designed to reduce the aid for the Americas. I am not sure if that is the gentleman from Kansas [Mr. GLICKMAN] or whoever it is, somebody is going to be offering that amendment. That amendment is designed to reduce the amount of aid that we are providing to El Salvador.

I had an opportunity to visit El Salvador late last year. Listen to the economic problems that they are experiencing there.

One of the things that is absolutely critical about getting El Salvador completely democratized and to be able to get reconciliation in El Salvador is for the El Salvadorans to be able to develop an economy. In many respects they are different from Nicaragua, because Nicaraguans really had such a ravaged country in the middle of that civil war, there was no entrepreneurial spirit in Nicaragua. So they face a lot of problems much different than El Salvador.

But what one is struck by when one visits El Salvador is the fact that they have the possibility and the capability of developing a private sector free enterprise economy that would be the glue that would pull the reconciliation together and finalize things for the people of El Salvador, who really deserve peace.

Now, it makes no sense at all for us to be using this Public Law 480 Program to dump products on their market that destroys their local ability to produce and to flourish, not only do-

mestically but also with their ability to export certain products, which contribute to their economic growth.

The other thing that we should talk about, the other entity that we should keep in mind that I am particularly touched by is Africa.

□ 1630

When we talk about Africa, the continent of Africa is undergoing tremendous transformation. We have seen so many countries that had a Marxist orientation who are truly trying to become free enterprise. In fact, there have been many people who have raised the issue of having international conferences, an issue that I earlier raised about 2 years ago. We ought to have an international conference on Africa to talk about how these countries have really changed and how investment opportunities exist.

What we do with Africa with this program, we dump product after product after product on the domestic economy of these countries in Africa. We destroy, just like when newly planted plants do not get enough water, they die, we are in the process of killing seedlings that are located in these countries in Africa who really want to develop local markets.

The gentleman from Washington [Mr. MILLER] mentioned Egypt. They have almost had riots because of the price of bread in Egypt, the price of grain. It has been an ongoing fight in the Egyptian economy for which the Egyptian Government has been under severe attack because the price of grain goes up. Yet in the process of this Public Law 480 Program we dump products on their market, kill their ability to develop things locally, domestically, so they can have greater control of their financial futures.

What the gentleman from Washington [Mr. MILLER] is trying to do is to get us back to a program that makes sense. I would urge everybody, including those on the Subcommittee on Rural Development, Agriculture and Related Agencies of the Committee on Appropriations, to take a look at this and to support the gentleman's amendment. We do not want to kill the 480 program when it comes to areas like emergencies, drought, famine, or whatever. But when it comes to dumping products on the markets of other countries and destroying their markets, we aggravate problems that we have in the world, and frankly, it ought to be stopped.

I want to join the gentleman from Washington [Mr. MILLER], and praise him for his ideas in terms of reforming this system, and ask the Members to look at this. The possibility may exist, as we get low or conclude this debate that I may offer a substitute to the amendment of the gentleman from Washington.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. KASICH] has expired.

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

Mr. KASICH. Mr. Chairman, I may offer a substitute, because frankly, we do not think we can win the amendment of the gentleman from Washington [Mr. MILLER] on this major cut that we perform in the Public Law 480 Program. What I would intend to offer would be a substitute that would basically adopt the administration's request for a reduction in the levels that were approved by the committee. The administration feels as though they do not need to have the increase that the committee has authorized.

We really, in spirit, want to accept the entirety of the amendment of the gentleman from Washington [Mr. MILLER] because this overall program needs restructuring. We have been looking for vehicles with which to restructure it. Recognizing the reality that we probably cannot pass that, this substitute will be offered, and I would urge the Members on both sides of the aisle to support this substitute, and to begin the effort that is necessary in order to reform these programs so that they make sense and we no longer do things that, whether purposefully or not, destroy the local economies of our allies around the world.

Mr. BURTON of Indiana. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, 10 years ago the United States of America was the greatest economic power on the face of the Earth. Here we are 10 years later and we are the greatest debtor Nation, owing the rest of the world, the greatest debtor Nation in the world. That has been caused by a number of things: government regulations, the trade deficit, but most of all I submit to my colleagues it is because of the budget deficit we experience year after year after year.

Mr. Chariman, I have been on this floor I don't know how many times talking about the deficit and the national debt. I do not want to belabor the point and go over it again and again, but I think the point needs to be made today that we have a \$400 billion deficit, a \$4 trillion national debt that has quadrupled in the last 10 years, and we continue to head down that very slick, slimy road to economic oblivion because we will not get control of our appetite for spending.

A perfect example is the bill that we are working on right now. I called the American Farm Bureau to find out what spending levels they would accept this year. They said they wanted to accept last year's spending levels. This bill is \$6.5 billion, \$6.5 billion, above last year's spending levels, and it has not been requested by the agricultural community in this country.

Listen to this. This is \$3.9 million over the request and \$1.9 billion in fis-

cal year 1992 for agricultural programs. It is \$417.4 million more than requested, and \$152.7 million more than in fiscal year 1992 for Farmers Home and rural development. It is \$4.2 billion more than last year for domestic food and nutrition programs. That is an entitlement. That is pretty hard to control.

The fact of the matter is, this bill is \$6.5 billion more than last year, and last year we experienced a \$400 billion deficit. I say to my colleagues, in the next bill coming up, it is about \$2.9 billion above last year.

When are we going to come to grips with this spending problem? There has been a book put out, and I have talked about it to the floor a number of times, by this gentleman named Larry Burkett called "The Coming Economic Earthquake." What he said in this book is, we are going to have either a massive depression or hyperinflation, which leads to the same basic conclusion. We are not doing anything about it. What in the world is wrong with us? Are we insane? We all know where we are heading, yet we continue to pass bill after bill that is higher than last year, and last year was an abomination.

I say to my colleagues today, this amendment is a step in the right direction. We should support the Miller amendment, but more than that, we should support a lot of amendments here today that will cut spending back to the levels that we had last year or very close to it. If we do not, we are leaving a terrible legacy to every young person in this country. The Members and I are not going to have to pay that bill, but our kids and grandkids are.

Remember the Grace Commission? Peter Grace, the chairman of the Grace Commission, as quoted in this book, says that by the year 2000, 8 years from now, it will take 102 percent of all personal income taxes to pay the interest on the national debt, to pay the interest. What are we doing about it? Absolutely nothing. We are going to leave this place today after voting for more bills to spend more money above what last year's spending levels were, and it is a step, a giant step, a Herculean step in the wrong direction.

We have to come to grips with this deficit. Otherwise we are going to face economic calamity in the not-too-distant future.

Mr. DELAY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think it is important for us to really look at our foreign aid situation. I think it is very important for us to understand that we can no longer continue what we have been doing in the past as far as foreign aid is concerned. If we look at what happens in the World Bank and the IMF, they loan money to build these huge industries in developing countries,

thinking that that will create jobs. Yet there is no foundation for a strong agricultural industry in those developing nations to even support huge industries or huge factories. They build big dams, or one way or another we just keep throwing money out there, and we are absolutely hurting the economies of some of these developing countries.

The American people are very upset that we continue to throw away money in foreign aid, so we need to be more creative. I think the gentleman from Washington [Mr. MILLER] has been very creative. On the foreign operations bill he had an idea that was used on the motion to recommit and this House accepted it. He has had other ideas that do not significantly change our presence in the world but change the way that we operate.

Mr. Chairman, the Food for Peace Program reflects our humanitarian tradition. Since the founding of our republic, Americans have generously responded to human suffering, whether from repression, acts of war, natural disasters, droughts, or famines. In fact, we take great pride in helping the truly needy, whether at home or abroad.

History, for example, indicates the United States provided emergency food assistance to Venezuela in 1812 following an earthquake, and to Ireland during the mid-1800's.

Despite its good intentions, however, food aid has been described by Vernon Ruttan as "the most popular and most controversial of United States assistance programs." Quoting again from Mr. Ruttan, Public Law 480's "inconsistencies have been driven, since the beginning, by the need to dispose abroad the agricultural commodities generated by failure to resolve the contradictions in domestic farm policy." Simply stated, the Food for Peace Program was begun in 1954 to eliminate the huge farm surpluses created by the Government's commodity price supports.

Other analysts have not been so generous. Jim Bovard, who writes for the Cato Institute, states:

While sometimes alleviating hunger in the short run, the program usually lowers the price at which Third World farmers can sell their crops. This depresses local food production, making it harder for poor countries to feed themselves in the long run.

This concern was also expressed in House Report 101-569, which accompanied the reauthorization of the 1990 farm bill. Specifically, it states:

The Committee is concerned over reports that U.S. food aid has undermined domestic agricultural production in some recipient countries. For example, in El Salvador, shipments of non-fat dried milk exceeded the amount of domestic consumption causing domestic milk prices to decline and domestic production to plummet. An aid study in 1988 also found that the volume of United States food aid to Egypt had become a disincentive to Egyptian farmers.

Concerning Egypt, a 1991 report by the Congressional Research Service went even further:

Visitors to Egypt have also reported that bread made from Public Law 480 wheat or wheat flour is so available that it is sometimes used as livestock feed.

The program also has produced several unintended consequences. Based on a limited number of studies, CRS noted that:

In some countries food aid has been shown to at least partially displace commercial imports; only in India in the 1960s does food aid seem to have definitively added to the overall demand for food without displacing commercial sales.

The same CRS report questioned the way in which the program is administered:

Another criticism of the U.S. response to emergencies is that often more food than is required is shipped so that when growing conditions improve the existence of large stocks creates a disincentive for local food producers.

□ 1640

All I say is look at what this Public Law 480 is doing to the developing countries' ability to build agriculture as a base to their economies, and let us all think a little more creatively in what we are doing with our food aid to the world.

So I support the amendment of the gentleman from Washington and hope that my colleagues will also support it.

Mr. DE LA GARZA. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I had not intended to speak on this issue, but the debate has ranged far astray of what the realities of the situation are.

For example, we have had a discourse here about the budget and the deficit and the national debt, which is proper, but not in this forum at this time. Also that our committee, the Agriculture Committee, has split jurisdiction. Part of the jurisdiction belongs in the Foreign Affairs Committee and the domestic part with the Agriculture Committee. That in itself has caused some problems. But the main thrust here is that reorganization, or reform, or restructure, is not obtained by cutting the amount. Just a meat ax approach is not going to do what some of our colleagues are complaining about, because we have complained about the same items. It has been the administration of the program and not the funds that should be in question at this point.

But in behalf of agriculture, let me show that agriculture has not, has never been, is not the culprit in having an unbalanced budget, or in having a debt, or in having a deficit. I bring Members this chart. The red part shows the total budget of the United States of America, the taxpayers, \$1,400,000,000,000. The little line that Members cannot see is how much goes

to agricultural programs. One-half of 1 percent of the total budget goes to agriculture. So we are not the culprits if we have an unbalanced budget or if we have a debt or if we have a deficit.

The most important part also, we have the pie chart which shows where the spending of the Department of Agriculture goes. All of this, more than 50 percent, the black, goes to nutrition programs in the United States of America, food stamps, school lunch, WIC, homeless, feeding the elderly. The red part, about 20 cents out of every dollar goes to agriculture programs. Again, this is not the culprit for an unbalanced budget, or the debt.

But this little blue line that Members cannot see, the tiny little blue line, that is Public Law 480. That is the foreign assistance part of the Department of Agriculture. That is what all of this eloquent demonstration is about. Two percent of the budget of the U.S.A. is what goes to foreign assistance. And I do not think that that amount merits this amount of concern.

Yes, we should balance the budget. Yes, we should reduce expenditures. Yes, we should have reform. Yes, we should have restructuring. But we do not do it by cutting the funds.

And there have been areas. Bangladesh is probably the best example of how Public Law 480 has worked. And it has worked in El Salvador, it has worked in Kenya, it has worked in Zambia, it has worked in the Horn of Africa, not only the grant food, but also the concessional sales. The problem is that now and then one goes astray.

But the secret of all secrets that is not a secret is we do not send it to them. They request it. Through my office come every month the leaders, agricultural leaders or ministers from the foreign countries requesting the Public Law 480 donation, and concessional sales. We do not say this is what we give.

Now, there have been some exceptions. The flour in Egypt, for example, that came for another reason. There is a vast, there is a vast movement from many of my colleagues here to have value-added products that you manufacture here in the United States and you send it to the other countries. We just had it in our committee, and there was an amendment offered by the ranking Republican member to dedicate 35 percent to value-added. And this is what his colleagues are not debating and are concerned about. I argued against imposing the value-added without some kind of restriction because we want the jobs here.

The CHAIRMAN. The time of the gentleman from Texas [Mr. DE LA GARZA] has expired.

(By unanimous consent, Mr. DE LA GARZA was allowed to proceed for 2 additional minutes.)

Mr. DE LA GARZA. So, Mr. Chairman, you see it is a confused situation be-

cause we want the jobs here. We want to mill the wheat and make the flour and then sell the flour under Public Law 480.

But here Members say it is going to displace local sales. Do you want the jobs in Kansas or do you want the jobs in Kenya?

I am afraid that here we are going into a situation where it is very popular now to bash foreign aid, to go against the foreigners; they do not speak English, they do not look like us. Well, some of them might look like me. But they do not look like the rest of my colleagues. And we are getting into that kind of situation.

But my dear friend, whom I respect, I have nothing but respect and admiration for him, this is not the thrust that we should be following. Yes, we need to restructure. Yes, we need to reform. But to just chop at the amount is not going to do what we are speaking about and what I agree is needed.

I would like to have the AID in another agency that is more responsible and responsive to the needs of the recipient and to the needs of the domestic, to the product that is being used.

□ 1650

I would think it would be more compatible, but that is not what the rules or the law stipulate, so I ask you, and in all sincerity, I agree with the thrust, when you say reform, when you say restructure, when they say possible abuse, when they say the possibility of misuse and the possibility of damaging the local economy, that we need to address, but you do not address that by cutting the funds.

You do not even send a message. The message should come from the principals including myself. Restructure the damn thing. Reform it if necessary to the extent that it is responsible. Because in the end it is the taxpayers' money that we are dealing with, and we have a solemn oath and we have a responsibility to protect that taxpayers' money.

But you are not going to protect it solely by slashing it off of this program. You are going to protect it by reforming the program, by restructuring the program and by having vigorous and strong oversight that has not been done in this case.

Mr. SANTORUM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I greatly appreciate hearing from the chairman of the Committee on Agriculture. I would agree with him that what we need to do is create more jobs here in America with food programs. That is why we are funding WIC and spending more money here on food programs here in the United States, which I fully support. That does not mean that we need to employ farmers to send crops overseas.

The answer is not, just because this is 2 percent of the Agriculture budget,

that we should somehow ignore this because this is not a responsible area to go after. I think it is a responsible area for all the reasons cited by the gentleman from Ohio and the gentleman from Washington and even by the chairman himself, who says they have many complaints about these programs. He was not up here defending how these programs work. In fact, he was saying that they do not work.

I do not see why a program that does not work, that sends money by way of food overseas when we have problems here to address at home, should be funded. I think he made a very good argument for supporting the Miller amendment.

He mentioned, you know, we give money, we give food to Bangladesh. I am sure the chairman well knows we are going after title II of the food program, not title III, which is where Bangladesh gets most of its food aid. So we are going after where we see discreetly where the waste and abuse is in the food program, not title I, not title III, but title II.

In fact, we leave in the \$100 million in the title II area, because that is where the Congressional Budget Office said was about that much money was used for disaster relief within the title II area, so we did not eliminate it completely. We have left the amount which is good, which CBO has characterized as effective use of this dollars-for-food program.

I want to commend the gentleman from Washington for the tremendous job he has done not only in his amendments last week on the foreign aid bill but this additional foreign aid amendment which goes at the heart of some of the bureaucracy and some of the waste that goes on in our foreign assistance program. This is the kind of stuff that we need when we are going to make very tough decisions, and it is absolutely incredulous to me that this House will not support an amendment, when 280 Members came to the floor and said they want a balanced budget, and the 100-and-some-odd that did not support it said that they supported the concept of a balanced budget, but we need to make tough decisions now.

This is not a tough decision. We have the chairman of the Committee on Agriculture saying that this is a problem program. We have the Congressional Budget Office saying \$240 million of this money just is the problem, that \$100 million is what the level should be, and we have a very responsible amendment here to cut out a big chunk of change that is going overseas, and we can direct that money within this bill which is over the limit, as the gentleman from Indiana said, to provide funding for WIC which is just now going to be added on to the deficit.

It is a responsible vote to cut this program. And I will go into a little detail.

I am not an expert in African and Asian food programs, but I will quote from a book by Graham Hancock titled "Lords of Poverty." Mr. Hancock is a former East African correspondent for *The Economist*.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. SANTORUM] has expired.

(By unanimous consent, Mr. SANTORUM was allowed to proceed for 2 additional minutes.)

Mr. SANTORUM. Mr. Chairman, I quote Mr. Hancock:

The drug of food aid: The taste for wheat is a relatively new phenomenon in Africa, but it is an important one. Because of it, traditional home-grown staples like maize are increasingly regarded as "low-class" peasant fare, and are going out of fashion; indeed, the continent now spends about \$2 billion a year on wheat imports. Similar trends are also evident elsewhere in the Third World as refined white flour imposes its stodgy domain from Mexico to Indonesia and from Thailand to Peru.

It is the aggressive food aid policies of the United States that have most effectively "hooked" developing countries on the "fix" of Western farm produce.

Administering America's huge "Food for Peace" Programme under Public Law 480, the Agency for International Development operates on the streetwise principle that those who accept free handouts today will become paying customers tomorrow * * *.

In addition, every year—courtesy of the ever-patient taxpayer of course—U.S. agribusiness benefits from aid procurement orders * * *.

What is good for General Mills, Ralston Purina, or Quaker Oats, [however], is not necessarily good for the Third World. Indeed, in a number of cases, food aid has had an utterly devastating effect on the agricultural output of developing countries. As well as creating expensive addictions to non-indigenous cereals, and discouraging export-production of items like corn and rice * * * P.L. 480 has frequently served as a major disincentive to the efforts of local farmers to grow food even for domestic consumption. Simply stated, the dumping of large quantities of low-priced American grain in Africa and Asia make it economically impossible for small producers in those regions to compete.

South Korea has been hailed by a former Assistant Secretary for Agriculture as: "the greatest success story worldwide of the Food for Peace Programme in terms of contribution to the growth of that nation." While it is undoubtedly true that South Korea has grown, the role of U.S. food aid in this process is not so clear—and certainly not admirable * * *.

The main function of U.S. grain imports in the 1950's and 1960's seems to have been to allow the government to maintain a "cut-price food" policy that put many small Korean farmers out of business. Prices paid domestic rice producers, for example, were consistently below cost—with the result that millions of rural people were forced to seek jobs in the cities.

The following is a quote from Larry Minear, who is a representative for development policy of Church World Service.

"Can P.L. 480 be all things to all people? Korea is its most oft-cited success story * * *. Yet relations are now buffeted (1989) by growing anti-Americanism—a harvest in

part of past food aid policies, as well as recent U.S. pressure for expanded access to Korean agricultural markets.

Several years ago two Korean farm groups wrote an impassioned letter to President Reagan.

"Acknowledging the importance of U.S. food aid in earlier years, they also lamented that food aid had 'not been used to develop Korean agriculture * * *. Instead, as American farm goods have continued to pour in, Korea's income from its own crops * * * has dropped, destroying Korea's agriculture.'"

Mr. Minear goes on to say,

Title II disaster relief programs have had a positive impact on the lives of the poor far outdistancing the benefits of title I.

So it is title I that we are going after, excuse me,

concession sales. In fact, classical food aid risks, disincentives to agricultural development, undesirable changes in consumption patterns, dependency on food imports, and assorted logistical complications are more frequently associated with large-scale title I than smaller-scale title II.

So it is title II that we are going after, and I apologize. It is title I that we are going after, not title II, which is the disaster aid, and that program is definitely eligible to be cut even as the chairman of the Committee on Agriculture said that it has problems.

We should adopt the Miller amendment.

Mr. ARMEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it is a pleasure for me to rise in support of this amendment.

The gentleman from Washington [Mr. MILLER], my good friend, colleague, and classmate, has once again shown his enormous understanding and compassion as he tries to eliminate, or at least reduce, the harmful effects of Public Law 480.

It is not the amount of spending on 480 that is of concern here. It is not the share of the national debt that is represented by spending on 480. It is not the share of the agricultural budget that is represented by spending on 480 that is contested here. What is contested here is the harm that is done to the developing nations and their rural struggling agricultural programs by 480.

Public Law 480 was legislation born under false pretenses. While it has been surviving all of these years under the guise of food for peace, it has, in fact, been a scheme to dump the unnecessary agricultural surpluses born out of the absurdities of American farm programs, and this is the way that happens: Because the farm lobby is so effective, because the special interest is so powerful, we have an enormous network of legislation that is first designed to hold the American domestic price above the market level which, in turn, encourages output in surplus.

□ 1700

As that surplus accumulated over the years, it became an embarrassment to

the American agricultural establishment, both the bureaucracy here in Washington and the lobbies from across the country. So it became necessary to find a way to dump that surplus and it was decided that we would dump the surplus under the guise of charitable American giving and compassion in a program called Food for Peace.

Once again the politics of greed is wrapped in the language of love.

Did it provide food for the peoples of the developing nations? In some instances, yes, temporarily, but did it provide for them an increase or a diminished ability to feed themselves?

For those struggling agrarian enterprises across the world's developing theater where the infrastructure was incomplete, the technology was outdated, the labor was difficult, and the conditions were even more difficult, they never had a chance to cultivate the development of their agrarian sector because they always had to compete with cheap American surplus crops, and consequently they failed to develop the ability to feed themselves and remain independent.

This is a perfect example of legislation that Milton Friedman called laws that do harm.

Sure, there are winners and there are always gainers in the making of legislation. The gainers are the American agriculture and agribusiness establishment. The gainers are the American agricultural bureaucracy. The gainers are the American politicians that play to those special interest groups, but the losers are the poor hungry people across the globe who may have had the illusion of relief from their rich neighbor, but instead found their ability to develop the capacity to feed themselves undercut. All of this is seen by the gentleman from Washington [Mr. MILLER].

The horror stories are frightening. I would like to give one example from many of where this provided not food nor peace. In May 1984, 10 people were killed in Haiti when government troops fired on crowds rioting to protest corruption in the United States Food for Peace Program. When the Haitian farmers could not bring their crops to market because they could not compete with the cheap United States surplus dumped in their market, they protested and they were shot for their protest.

In other instances when governments tried to decline our surplus commodities, they were bullied into accepting it, contrary to the interests of their people and contrary to the interests of their developing agricultural sector.

Mr. Chairman, I commend the gentleman from Washington, and I urge a yes vote.

AMENDMENT OFFERED BY MR. KASICH AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. MILLER OF WASHINGTON

Mr. KASICH. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. KASICH as a substitute for the amendment offered by Mr. MILLER of Washington: Page 69, line 2, strike "\$343,092,000" and insert "\$317,800,000".

Mr. KASICH (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. KASICH. Mr. Chairman, let me just in a nutshell explain what this is. This is an effort to really kind of build a consensus here.

I want to commend the gentleman who is the chairman of the Agriculture Authorizing Committee. His statement is very constructive. We intend to be constructive here.

Frankly, in some respects, what we are trying to do is to make a change in the program by reducing an amount; but furthermore, of course, we would like to legislate the reforms of this program. We, however, cannot legislate on an appropriations bill; but what we are trying to do is establish the basis for real reform of this program. The substitute amendment makes a reduction of \$26 million. It reduces the subsidy of these overall programs. It is a more modest proposal and really preserves the spirit of what we want to do in terms of reforming these provisions of the Public Law 480 program not related to disaster assistance and allow us, we would hope, to be able to come back next year.

While having achieved something this year, something definite this year, we would like to come back next year with a more appropriate vehicle to be able to enact the legislative reform changes that we seek.

I offer the substitute amendment, but to tell you it is Congressmen MILLER of Washington, SANTORUM, DELAY, and BURTON of Indiana all involved in the substitute. We do this in the spirit of compromise and would look forward to the members of the committee being able to accept this substitute.

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

Mr. Chairman, I would not have been able to support the prior amendment offered by my friend, the gentleman from Washington [Mr. MILLER], because the effect would have been to cripple the title I program of Public Law 480.

There are a number of questions which deserve to be explored. Certainly all of us agree that the effect of this program should not be to make it difficult or impossible for local farmers in

developing countries to develop their own capacity to grow food. That is not in their interests and it is ultimately not in the interests of the United States, either.

On the other hand, there are many situations where there are food shortages in developing countries and title I has been a great help to many of these countries and their governments in terms of meeting their food shortages.

It is also, as the distinguished chairman of the authorizing Committee on Agriculture pointed out, a critically important program to American farmers, and indeed to American workers who are employed on the docks in this country where these commodities are shipped.

So it is a question which is at least nixed, and in my judgment the amendment which the gentleman from Washington offered in good faith, I am sure, went much too far.

On the other hand, in the spirit of compromise, I would be willing on this side to accept the substitute amendment offered by the gentleman from Ohio, the gentleman from Washington and others, as a way of at least sending a modest signal that there are some concerns which need to be addressed, and I am sure will be addressed by the authorizing committee.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. MCHUGH. I am happy to yield to the gentleman from Texas.

Mr. DE LA GARZA. Mr. Chairman, I thank the gentleman for yielding to me. I concur with his wise decision and will support it, but I wanted to maintain my commitment that we need to have vigorous oversight. We agree with the reform need, that we need reorganization. It has been very difficult because of the disjointed jurisdiction here in the Congress and out there in the administration.

So as I said, I did not fault my colleagues on their cry for restructuring or reform, but rather the approach that was being taken.

With that, Mr. Chairman, I support the gentleman, who at this point if I do not have another opportunity want to commend him for the excellent way he has managed this legislation and what he has brought to the floor under very difficult circumstances. I commend him and the members of the subcommittee for the work they have done.

Mr. MCHUGH. Mr. Chairman, I thank the gentleman for his comments and for his commitment to look at this program.

Mr. MILLER of Washington. Mr. Chairman, will the gentleman yield?

Mr. MCHUGH. I yield to the gentleman from Washington.

Mr. MILLER of Washington. Mr. Chairman, I appreciate the willingness of the chairman of the Appropriations Subcommittee and the chairman of the

Agriculture Committee to recognize the problems in this program.

I want to thank my colleagues from Texas, Pennsylvania, and Ohio, for their kind words.

We are not trying to bash foreign aid here. We are trying to save foreign aid. We are trying to get foreign aid that the American people can support.

While I think the original amendment would have left this program fully able to provide for humanitarian and disaster relief in the noble traditions of the American people, I think the compromise support of both parties will send a very constructive signal to all concerned that we are ready to take a look at restructuring and reforming this program.

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

Mr. MCHUGH. I am happy to yield to the gentleman from New Mexico.

□ 1710

Mr. SKEEN. I want the gentleman to know that we have no opposition, that we do accept the compromise. We think it is a good one.

Mr. MCHUGH. I thank the gentleman for his comments.

Mr. Chairman. The question is on the amendment offered by the gentleman from Ohio [Mr. KASICH] as a substitute for the amendment offered by the gentleman from Washington [Mr. MILLER].

The amendment offered as a substitute for the amendment was agreed to.

The CHAIRMAN. The question is on the amendment, as amended, offered by the gentleman from Washington [Mr. MILLER].

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 410, noes 4, not voting 20, as follows:

[Roll No. 246]

AYES—410

Abercrombie	Bilbray	Carr
Allen	Billakis	Chandler
Anderson	Blackwell	Chapman
Andrews (ME)	Bliley	Clay
Andrews (NJ)	Boehert	Clement
Andrews (TX)	Boehner	Clinger
Annunzio	Borski	Coble
Applegate	Brewster	Coleman (MO)
Archer	Brooks	Coleman (TX)
Armey	Broomfield	Collins (IL)
Aspin	Browder	Collins (MI)
Atkins	Brown	Combest
AuCoin	Bruce	Condit
Bacchus	Bryant	Conyers
Baker	Bunning	Cooper
Ballenger	Burton	Costello
Barnard	Bustamante	Coughlin
Barrett	Byron	Cox (CA)
Barton	Callahan	Cox (IL)
Bateman	Camp	Coyne
Bellenson	Campbell (CA)	Cramer
Bennett	Campbell (CO)	Crane
Bentley	Cardin	Cunningham
Berman	Carper	Dannemeyer

Darden
Davis
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dorgan (ND)
Dorman (CA)
Downey
Dreier
Duncan
Durbine
Dwyer
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fasell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gephardt
Gephart
Geren
Gibbons
Gilchrest
Gillmor
Gillman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Henry
Heryer
Hertel
Hobson
Hochbrueckner
Holloway
Hopkins
Horn
Horton
Houghton
Hoyer
Hubbard
Hughes
Hunter
Hutto
Hyde

Inhofe
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Koltz
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Martinez
Matsui
Mavroules
Mazouzi
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Mollinari
Mollohan
Montgomery
Moody
Moorhead
Moran
Morella
Morrison
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak

Nussle
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Pastor
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Santorum
Sarpanius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schulze
Schumer
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Slattery
Slaughter
Smith (FL)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solaz
Solomon
Spence
Spratt
Staggers
Stallons

Stark
Stearns
Stenholm
Stokes
Studds
Stump
Sundquist
Swett
Swift
Synar
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Thornton
Torres
Torrice
Towns
Traficant
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Viscosky
Volkmer
Vucanovich
Walker
Walsh
Washington
Waters
 Waxman

Weber
Weiss
Weldon
Wheat
Whitten
Wise
Wolf
Wolpe
Wyden
Wyllie
Yates
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

emerging democracies, as authorized by section 1542 of Public Law 101-624 (7 U.S.C. 5622 note).

COMMODITY CREDIT CORPORATION EXPORT
LOANS PROGRAM ACCOUNT
(INCLUDING TRANSFERS OF FUNDS)

For administrative expenses to carry out CCC's Export Guarantee Program, GSM 102 and GSM 103, \$3,320,000; of which not to exceed \$2,731,000 may be transferred to and merged with the appropriation for the salaries and expenses of the General Sales Manager, and of which not to exceed \$589,000 may be transferred to and merged with the appropriation for the salaries and expenses of the Agricultural Stabilization and Conservation Service, to cover the common overhead expenses associated with implementing the Federal Credit Reform Act of 1990.

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

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

Mr. KOSTMAYER. I yield to the gentleman from Kansas.

Mr. GLICKMAN. Mr. Chairman, I could not hear. I have an amendment on page 69, line 13. I want to make sure I reserve the right to offer that amendment.

The CHAIRMAN. That paragraph was passed.

Mr. GLICKMAN. Mr. Chairman, I could not hear. I thought I was on my feet. I ask unanimous consent to be able to offer my amendment at line 15, page 69.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. SKEEN. Mr. Chairman, I reserve the right to object.

The CHAIRMAN. The gentleman from New Mexico reserves the right to object.

Mr. KOSTMAYER. Mr. Chairman, reclaiming my time, the gentleman from Kansas [Mr. GLICKMAN] was sitting here. The gentleman jumped up. The gentleman's amendment was about a paragraph ago. The gentleman has just asked for unanimous consent to go back about a paragraph and be able to offer that amendment; that is all.

Mr. GLICKMAN. Mr. Chairman, if the gentleman will yield further, as I was sitting here, the gentleman from Pennsylvania [Mr. KOSTMAYER] asked me to yield so the gentleman could move to strike the last word to speak. I could not hear.

Mr. Chairman, I have been here 5 hours right here at this seat waiting to offer this amendment.

Mr. SKEEN. Mr. Chairman, we could not hear either. We did not know what the gentleman was trying to do or not do. I was not trying to be ornery, I just wanted to know what the Sam Hill was going on over there.

The CHAIRMAN. Is the gentleman from New Mexico [Mr. SKEEN] withdrawing his reservation of objection?

Mr. SKEEN. Mr. Chairman, I will just object.

The CHAIRMAN. The gentleman objects. Objection is heard. The gen-

NOES—4

Alexander
Bereuter
Hoagland
Smith (IA)

NOT VOTING—20

Ackerman
Allard
Anthony
Bevill
Bonior
Boucher
Boxer
Dymally
Gekas
Hefner
Huckaby
Ireland
Jones (GA)
Perkins
Skellton
Tallon
Thomas (GA)
Traxler
Williams
Wilson

□ 1734

Mr. HOAGLAND changed his vote from "aye" to "no."

Mr. PICKETT and Mrs. COLLINS of Michigan changed their vote from "no" to "aye."

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

In addition, for administrative expenses to carry out the Public Law 480 title I credit program, and the Food for Progress Act of 1985, as amended, to the extent funds appropriated for Public Law 480 are utilized, \$1,815,000.

DEBT RESTRUCTURING UNDER THE ENTERPRISE
FOR THE AMERICAS

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying direct credit agreements as authorized by title VI of the Agricultural Trade Development and Assistance Act of 1954, as amended, \$69,531,000.

SHORT-TERM EXPORT CREDIT

The Commodity Credit Corporation shall make available not less than \$5,000,000,000 in credit guarantees under its export credit guarantee program for short-term credit extended to finance the export sales of United States agricultural commodities and the products thereof, as authorized by section 211(b)(1) of the Agricultural Trade Act of 1978 (7 U.S.C. 5641).

INTERMEDIATE EXPORT CREDIT

The Commodity Credit Corporation shall make available not less than \$500,000,000 in credit guarantees under its export guarantee program for intermediate-term credit extended to finance the export sales of United States agricultural commodities and the products thereof, as authorized by section 211(b)(2) of the Agricultural Trade Act of 1978 (7 U.S.C. 5641).

EMERGING DEMOCRACIES EXPORT CREDIT

The Commodity Credit Corporation shall make available not less than \$200,000,000 in credit guarantees under its export guarantee program for credit expended to finance the export sales of United States agricultural commodities and the products thereof to

tleman from Pennsylvania [Mr. KOSTMAYER] has the time.

Mr. KOSTMAYER. Mr. Chairman, while my friend, the gentleman from New Mexico [Mr. SKEEN], and my friend, the gentleman from Kansas [Mr. GLICKMAN], are trying to reach an agreement, let me speak very briefly about something that Members have heard about earlier today, and that is the Market Promotion Program.

I think the committee deserves to be commended for a number of changes they have made in this program, including a reduction in total funding from \$200 million to \$75 million. There are also instructions in the report, but not in the bill, that the program concentrate on value-added products, that is, products to which value is added in the United States by U.S. workers, second, that the program be focused on getting into new markets. And, finally, that the program be targeted to companies that truly need it.

Mr. Chairman, all of these changes make the program a better program. I had intended at this time to offer an amendment based on a bill I have introduced to effect the MPP Program, although I am informed that the House rules will prevent me from doing so.

□ 1740

That legislation, Mr. Chairman, goes somewhat further than the committee was prepared to go. I want to restrict the MPP Program to only U.S. companies. My bill sets a ceiling on the size of the companies which could receive a grant, limit assistance to companies with less than \$500 million per year in gross sales.

The bill further states that the program would have to expire for each individual company's products after 5 years. It would place a cap on the annual amount that a company could receive: half a million dollars. And finally, it requires that the products promoted must contain at least 50 percent U.S. commodities.

Many Members who have spoken before, Mr. Chairman, have recited the long list of companies that are receiving large sums of money, essentially to pay for their advertising. I am not going to do that again. I rise only to commend the committee for making some changes, although I think not enough, and urge them to exercise very rigorously the oversight functions so that this program can really come to do what it was intended to do.

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

Mr. KOSTMAYER. I yield to the gentleman from Kansas.

Mr. GLICKMAN. Mr. Chairman, I renew my unanimous consent, since I could not hear, that I may be able to offer my amendment on page 69, line 13.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

Mr. WALKER. Mr. Chairman, reserving the right to object, I know the gentleman is attempting to change the process so we can get back to his amendment. One of the problems that we have is that consistently when the minority seeks to get fair treatment with regard to the process here, it just does not happen. And very often we get absolutely no votes from the Democratic side when we are seeking fairness in the process for offering minority amendments.

Mr. Chairman, I do object.

The CHAIRMAN. Objection is heard.

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

Mr. Chairman, this is not right. The Chair has to protect Members in these circumstances.

The Chair had at his desk, at the desk my amendment that, in fact, the Parliamentarian had asked me if I was going to offer, which amendment, which I did. And I am sitting here and a lot of commotion is around here.

The gentleman from Pennsylvania asked if he could get in front of me quickly to move to strike the last word, which I said, "Yes," on.

I am not one of the Members that interferes with the operations of this House whatsoever. And if that is allowed to happen, then it is not fair to the Members of this body.

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

Mr. GLICKMAN. I yield to the gentleman from Iowa.

Mr. LEACH. Mr. Chairman, I would just like to say, even though I am profoundly opposed to the gentleman's amendment, that the gentleman was sitting there. It was quite clear he had every intention to offer the amendment. And as he said, he was not only sitting there for a few minutes but for many hours.

For the sake of the process, I think the gentleman is correct, that he ought to be given the right and that it is a small accommodation.

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

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

Mr. MCHUGH. Mr. Chairman, I would hope the gentleman from Pennsylvania would reconsider. I know that the Members of the minority side have objected to a number of rules. We brought this bill to the floor without even seeking a rule. So it was totally open for any amendment that members on either side of the aisle wanted to offer.

The gentleman from Kansas [Mr. GLICKMAN] has obviously been a victim of the commotion. He is only a paragraph away. I would hope, in fairness—it seems to me only fair that he be permitted to offer his amendment. He has been here for 5 hours both sides have agreed to accept his amendment.

I hope the gentleman will reconsider.

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

Mr. GLICKMAN. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, I merely objected in the first place to find out what in the world was going on because things were happening over there, and we had not had any notice of what was going on. And all of a sudden we were past that.

I would not do that to any Member and would not appreciate any Member doing it to me. I have had it done to me here in the past, and I would not do that to anybody else.

Mr. GLICKMAN. Mr. Chairman, I would say to my colleague, the gentleman from Pennsylvania [Mr. WALKER], could I have the gentleman's attention for a minute.

We came into Congress together, and we tried to be fair. I go sometimes on the theory that today is the first day of the rest of our lives. I think I have tried to be fair to the gentleman all these years, and I have personally not been a person who takes advantage of the rules of this place.

I think in all fairness, the gentleman ought to give me this opportunity. I am not asking for anything that is unfair or unreasonable.

Mr. Chairman, I ask unanimous consent again that I may be able to offer the amendment to page 69, line 13, that I have been waiting here 5 hours to seek.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

Mr. WALKER. Mr. Chairman, reserving the right to object, I would simply say to the gentleman, he is one of the Members who has attempted over the years to be fair. And if an objection is not lodged, it would be simply out of personal courtesy to him.

I will tell the gentleman, however, that there have been many times here when this same kind of thing has happened to Members of the minority and where objection has been heard not only from the gentleman's side but often from the leadership of his side, often from the chairman handling a bill on the floor.

And consistently, then, if such things are put to a vote, the membership of the gentleman's side unanimously regards this as a procedural vote and votes down Republican attempts to bring things to the floor.

I would like to believe the gentleman that this is the first day of the rest of our lives and that from here on out we will be treated fairly, but my guess is that we are going to have a rule down here tomorrow which is going to make a special amendment in order on the Committee on Ways and Means tax bill to protect one special group that is a Democratic special interest group.

My guess is that we are going to have that come down here tomorrow, and we will not have a first day of the rest of the session even, let alone the rest of our lives.

I am concerned about this. I understand the gentleman has waited. I have often sat on the floor and waited hours and hours and hours and then been denied by some machinations on the gentleman's side.

The gentleman from Kansas [Mr. ROBERTS] the other night, the Committee rose rather than allow him to bring his amendment up on the gym.

Those are the kinds of votes that stick in the craw a little bit over here, and it does give me great concern.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

Mr. UPTON. Mr. Chairman, reserving the right to object, I would not like to object. I wonder if I might have just a brief colloquy with the gentleman from New York [Mr. McHUGH] just for a moment.

The gentleman from New Jersey [Mr. ZIMMER] and I were planning to offer an amendment to deny subsidies for beekeepers later on. I was just wondering if we might see some comity in the process that would allow us to offer the amendment and seek a vote, if we should so desire.

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

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

Mr. McHUGH. Mr. Chairman, it is my understanding that there are three amendments which are in the nature of limitations and, therefore, in the nature of legislative language. I would hope that it would be the will of the House to rise before we get to those amendments. But if it is, if I get a sense it is the will of the House that they want to stay here to consider those amendments, I will accede to that.

I would appreciate Members giving me a sense of that. My sense is that we have been on this bill now for 5½ hours, and there is another bill of significant proportion to be considered tonight as well. They are projecting a 10 o'clock finish. So I understand the gentleman's interest in that.

It is really a question of what is in the orderly interest of the House.

Mr. UPTON. Mr. Chairman, further reserving the right to object, could I ask unanimous consent that our amendment be made in order without the Committee rising?

The CHAIRMAN. The Chair would advise the gentleman that there is one unanimous consent request pending, so it would be out of order for the gentleman to make that request at this time.

Is there objection to the request of the gentleman from Kansas?

Mr. UPTON. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. UPTON. Mr. Chairman, I will then ask unanimous consent that both

the amendment of the gentleman from Kansas [Mr. GLICKMAN] and the Zimmer-Upton amendment on beekeepers be allowed at some point before the Committee rises.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan that the gentleman from Kansas be permitted to return to page 69, line 13 to offer an amendment and that the gentleman from Michigan or the gentleman from New Jersey be permitted to offer an amendment notwithstanding clause 2(d) of rule XXI?

Mr. KOSTMAYER. Mr. Chairman, reserving the right to object, will the gentleman restate his request?

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

Mr. KOSTMAYER. I yield to the gentleman from Michigan.

Mr. UPTON. Mr. Chairman, the unanimous consent request that I offered was that the amendment of the gentleman from Kansas [Mr. GLICKMAN] and the Zimmer-Upton amendment on beekeeping be allowed prior to the Committee rising.

Mr. KOSTMAYER. Mr. Chairman, further reserving the right to object, how about the amendment to be offered by myself, which the gentleman from New York [Mr. McHUGH] said would be precluded by the Committee rising, and also the amendment to be offered by the gentleman from Utah [Mr. OWENS]?

The gentleman from Utah [Mr. OWENS] was told that he could not offer his amendment because the Committee was going to rise.

□ 1750

I just spoke to my friend, the gentleman from New York, in the Cloakroom, who indicated the Committee was going to rise and I could not offer my amendment, so two Democrats have lost the right to offer an amendment and one Republican. What is good for the goose is good for the gander. If the gentleman from Michigan [Mr. UPTON] is going to offer his amendment, we want to offer ours. Fair is fair.

Mr. UPTON. I would say to the gentleman, make the motion. I will not object to that.

Mr. Chairman, I ask unanimous consent that all four of the amendments be made in order before the Committee rises this evening, the amendment of the gentleman from Pennsylvania [Mr. KOSTMAYER], the amendment of the gentleman from Utah [Mr. OWENS], the Zimmer-Upton amendment, and the amendment of the gentleman from Kansas [Mr. GLICKMAN].

Mr. KOSTMAYER. Mr. Chairman, if I might clarify, the gentleman is asking unanimous consent that his own amendment, the amendment of the gentleman from Pennsylvania [Mr. KOSTMAYER], the amendment of the gentleman from Utah [Mr. OWENS], as well as the amendment of the gen-

tleman from Kansas [Mr. GLICKMAN] all be made in order?

The CHAIRMAN. That is the unanimous consent request now put to the Committee by the gentleman from Michigan [Mr. UPTON].

Mr. FAZIO. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard. The Clerk will continue reading the bill.

The Clerk read as follows:

OFFICE OF INTERNATIONAL COOPERATION AND DEVELOPMENT

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Office of International Cooperation and Development to coordinate, plan, and direct activities involving international development, technical assistance and training, and international scientific and technical cooperation in the Department of Agriculture, including those authorized by the Food and Agriculture Act of 1977 (7 U.S.C. 3291), \$7,247,000: *Provided*, That not to exceed \$3,000 of this amount shall be available for official reception and representation expenses as authorized by 7 U.S.C. 1766: *Provided further*, That in addition, funds available to the Department of Agriculture shall be available to assist an international organization in meeting the costs, including salaries, fringe benefits and other associated costs, related to the employment by the organization of Federal personnel that may transfer to the organization under the provisions of 5 U.S.C. 3581-3584, or of other well-qualified United States citizens, for the performance of activities that contribute to increased understanding of international agricultural issues, with transfer of funds for this purpose from one appropriation to another or to a single account authorized, such funds remaining available until expended: *Provided further*, That the Office may utilize advances of funds, or reimburse this appropriation for expenditures made on behalf of Federal agencies, public and private organizations and institutions under agreements executed pursuant to the agricultural food production assistance programs (7 U.S.C. 1736) and the foreign assistance programs of the International Development Cooperation Administration (22 U.S.C. 2392).

SCIENTIFIC ACTIVITIES OVERSEAS (FOREIGN CURRENCY PROGRAM)

LIMITATION ON EXPENSES

For payments in foreign currencies owed to or owned by the United States for research activities authorized by section 104(c)(7) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(c)(7)), not to exceed \$1,062,000: *Provided*, That not to exceed \$25,000 of these funds shall be available for payments in foreign currencies for expenses of employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), as amended by 5 U.S.C. 3109.

TITLE VI—RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION SALARIES AND EXPENSES

For necessary expenses of the Food and Drug Administration, including hire of passenger motor vehicles; for rental of special purpose space in the District of Columbia or elsewhere; and for miscellaneous and emergency expenses of enforcement activities, au-

thorized and approved by the Secretary and to be accounted for solely on the Secretary's certificate, not to exceed \$25,000; \$744,135,000: *Provided*, That none of these funds shall be used to develop, establish, or operate any program of user fees authorized by 31 U.S.C. 9701.

BUILDINGS AND FACILITIES

For plans, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of or used by the Food and Drug Administration, where not otherwise provided, \$3,350,000, to remain available until expended (7 U.S.C. 2209b): *Provided*, That the Food and Drug Administration may accept donated land in Montgomery and/or Prince George's Counties, Maryland.

RENTAL PAYMENTS (FDA)

(INCLUDING TRANSFERS OF FUNDS)

For payment of space rental and related costs pursuant to Public Law 92-313 for programs and activities of the Food and Drug Administration which are included in this Act, \$25,612,000: *Provided*, That in the event the Food and Drug Administration should require modification of space needs, a share of the salaries and expenses appropriation may be transferred to this appropriation, or a share of this appropriation may be transferred to the salaries and expenses appropriation, but such transfers shall not exceed 10 per centum of the funds made available for rental payments (FDA) to or from this account.

DEPARTMENT OF THE TREASURY

FINANCIAL MANAGEMENT SERVICE

PAYMENTS TO THE FARM CREDIT SYSTEM FINANCIAL ASSISTANCE CORPORATION

For necessary payments to the Farm Credit System Financial Assistance Corporation by the Secretary of the Treasury, as authorized by Section 6.28(c) of the Farm Credit Act of 1971, as amended, for reimbursement of interest expenses incurred by the Financial Assistance Corporation on obligations issued through 1993, as authorized, \$84,614,000: *Provided*, That not to exceed \$309,000 of the assistance fund shall be available for administrative expenses of the Farm Credit System Assistance Board: *Provided further*, That officers and employees of the Farm Credit System Assistance Board shall be hired, promoted, compensated, and discharged in accordance with title 5, United States Code.

INDEPENDENT AGENCIES

COMMODITY FUTURES TRADING COMMISSION

For necessary expenses to carry out the provisions of the Commodity Exchange Act, as amended (7 U.S.C. 1 et seq.), including the purchase and hire of passenger motor vehicles; the rental of space (to include multiple year leases) in the District of Columbia and elsewhere; and not to exceed \$25,000 for employment under 5 U.S.C. 3109; \$47,300,000, including not to exceed \$700 for official reception and representation expenses.

FARM CREDIT ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed \$38,686,000 (from assessments collected from farm credit institutions and from the Federal Agricultural Mortgage Corporation) shall be obligated during the current fiscal year for administrative expenses as authorized under 12 U.S.C. 2249, including not to exceed the following amounts: official reception and representation expenses, \$1,500; Office of Secondary Market Oversight, \$300,000; Office of the General Counsel,

\$1,853,000; and Office of Congressional and Public Affairs, \$500,000.

TITLE VII—GENERAL PROVISIONS

SEC. 701. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department of Agriculture for the fiscal year 1993 under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed 659 passenger motor vehicles, of which 654 shall be for replacement only, and for the hire of such vehicles.

SEC. 702. Funds in this Act available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902).

SEC. 703. Not less than \$1,500,000 of the appropriations of the Department of Agriculture in this Act for research and service work authorized by the Acts of August 14, 1946 and July 28, 1954, (7 U.S.C. 427, 1621-1629), and by chapter 63 of title 31, United States Code, shall be available for contracting in accordance with said Acts and chapter.

SEC. 704. No part of the funds contained in this Act may be used to make production or other payments to a person, persons, or corporations upon a final finding by court of competent jurisdiction that such party is guilty of growing, cultivating, harvesting, processing or storing marijuana, or other such prohibited drug-producing plants on any part of lands owned or controlled by such persons or corporations.

SEC. 705. The cumulative total of transfers to the Working Capital Fund for the purpose of accumulating growth capital for data services and National Finance Center operations shall not exceed \$2,000,000: *Provided*, That no funds in this Act appropriated to an agency of the Department shall be transferred to the Working Capital Fund without the approval of the agency administrator.

SEC. 706. New obligational authority provided for the following appropriation items in this Act shall remain available until expended (7 U.S.C. 2209b): Animal and Plant Health Inspection Service, the contingency fund to meet emergency conditions, Integrated Systems Acquisition Project, and the reserve fund for the Grasshopper and Mormon Cricket Control Programs; Agricultural Stabilization and Conservation Service, salaries and expenses funds made available to county committees; Office of International Cooperation and Development, Middle-Income Country Training Program; higher education graduate fellowships grants under section 1417(b)(6) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977, as amended (7 U.S.C. 3152(b)(6)); and capacity building grants to colleges eligible to receive funds under the Act of August 30, 1890, including Tuskegee University. New obligational authority for the Boll Weevil Program and up to 10 per centum of the Screwworm Program of the Animal and Plant Health Inspection Service shall remain available until expended.

SEC. 707. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 708. Not to exceed \$50,000 of the appropriations available to the Department of Agriculture in this Act shall be available to provide appropriate orientation and language training pursuant to Public Law 94-449.

SEC. 709. Funds provided by this Act for personnel compensation and benefits shall be available for obligation for that purpose only.

SEC. 710. No part of any appropriation contained in this Act shall be expended by any

executive agency, as referred to in the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), pursuant to any obligation for services by contract, unless such executive agency has awarded and entered into such contract as provided by law.

SEC. 711. None of the funds appropriated or otherwise made available by this Act shall be available to implement, administer, or enforce any regulation which has been disapproved pursuant to a resolution of disapproval duly adopted in accordance with the applicable law of the United States.

SEC. 712. No funds appropriated by this Act may be used to pay negotiated indirect cost rates on cooperative agreements or similar arrangements between the United States Department of Agriculture and nonprofit institutions in excess of 10 per centum of the total direct cost of the agreement when the purpose of such cooperative arrangements is to carry out programs of mutual interest between the two parties. This does not preclude appropriate payment of indirect costs on grants and contracts with such institutions when such indirect costs are computed on a similar basis for all agencies for which appropriations are provided in this Act.

SEC. 713. None of the funds in this Act shall be used to carry out any activity related to phasing out the Resource Conservation and Development Program.

SEC. 714. None of the funds in this Act shall be used to prevent or interfere with the right and obligation of the Commodity Credit Corporation to sell surplus agricultural commodities in world trade at competitive prices as authorized by law.

SEC. 715. Notwithstanding any other provision of this Act, commodities acquired by the Department in connection with Commodity Credit Corporation and section 32 price support operations may be used, as authorized by law (15 U.S.C. 714c and 7 U.S.C. 612c), to provide commodities to individuals in cases of hardship as determined by the Secretary of Agriculture.

SEC. 716. None of the funds in this Act shall be available to reimburse the General Services Administration for payment of space rental and related costs in excess of the amounts specified in this Act; nor shall this or any other provision of law require a reduction in the level of rental space or services below that of fiscal year 1992 or prohibit an expansion of rental space or services with the use of funds otherwise appropriated in this Act. Further, no agency of the Department of Agriculture, from funds otherwise available, shall reimburse the General Services Administration for payment of space rental and related costs provided to such agency at a percentage rate which is greater than is available in the case of funds appropriated in this Act.

SEC. 717. In fiscal year 1993, the Secretary of Agriculture shall initiate construction on not less than twenty new projects under the Watershed Protection and Flood Prevention Act (Public Law 566) and not less than five new projects under the Flood Control Act (Public Law 534).

SEC. 718. None of the funds provided in this Act may be used to reduce programs by establishing an end-of-year employment ceiling on full-time equivalent staff years below the level set herein for the following agencies: Food and Drug Administration, 8,924; Farmers Home Administration, 12,225; Agricultural Stabilization and Conservation Service, 2,550; Rural Electrification Administration, 550; and Soil Conservation Service, 14,177.

SEC. 719. Funds appropriated by this Act shall be applied only to the objects for which

appropriations were made except as otherwise provided by law, as required by 31 U.S.C. 1301.

SEC. 720. None of the funds in this Act shall be available to restrict the authority of the Commodity Credit Corporation to lease space for its own use or to lease space on behalf of other agencies of the Department of Agriculture when such space will be jointly occupied.

SEC. 721. None of the funds provided in this Act may be expended to release information acquired from any handler under the Agricultural Marketing Agreement Act of 1937, as amended: *Provided*, That this provision shall not prohibit the release of information to other Federal agencies for enforcement purposes: *Provided further*, That this provision shall not prohibit the release of aggregate statistical data used in formulating regulations pursuant to the Agricultural Marketing Agreement Act of 1937, as amended: *Provided further*, That this provision shall not prohibit the release of information submitted by milk handlers.

SEC. 722. Unless otherwise provided in this Act, none of the funds appropriated or otherwise made available in this Act may be used by the Farmers Home Administration to employ or otherwise contract with private debt collection agencies to collect delinquent payments from Farmers Home Administration borrowers.

SEC. 723. None of the funds in this Act, or otherwise made available by this Act, shall be used to sell loans made by the Agricultural Credit Insurance Fund. Further, Rural Development Insurance Fund loans offered for sale in fiscal year 1993 shall be first offered to the borrowers for prepayment.

SEC. 724. None of the funds in this Act may be used to establish any new office, organization, or center for which funds have not been provided in advance in Appropriations Acts, except the Department may carry out planning activities.

SEC. 725. None of the funds in this Act, or otherwise made available by this Act, shall be used to regulate the order or sequence of advances of funds to a borrower under any combination of approved telephone loans from the Rural Electrification Administration, the Rural Telephone Bank or the Federal Financing Bank.

SEC. 726. None of the funds in this Act shall be available to pay indirect costs on research grants awarded competitively by the Cooperative State Research Service that exceed 14 per centum of total Federal funds provided under each award.

SEC. 727. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries of personnel who carry out a Market Promotion Program pursuant to section 203 (7 U.S.C. 5623) of the Agricultural Trade Act of 1978, if the aggregate amount of funds and/or commodities under such program exceeds \$75,000,000.

SEC. 728. None of the funds appropriated or otherwise made available by this Act shall be used to enroll additional acres in the Wetlands Reserve Program, as authorized by 16 U.S.C. 3837, beyond those acres enrolled as a result of the sign-ups conducted in 1992.

SEC. 729. None of the funds appropriated or otherwise made available by this Act shall be used to enroll additional acres in the Conservation Reserve Program, as authorized by 16 U.S.C. 3831-3845, beyond those acres enrolled as a result of the sign-ups conducted in 1992.

SEC. 730. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries of personnel who

carry out the Agricultural Resource Conservation Demonstration Program pursuant to section 1465 of Public Law 101-624, as amended by section 203 of Public Law 102-237.

SEC. 731. Such sums as may be necessary for fiscal year 1993 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

Mr. MCHUGH (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the bill through page 84, line 12, be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. Are there any points of order against the remaining provisions?

If not, are there any amendments to the remaining provisions?

PARLIAMENTARY INQUIRY

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

The CHAIRMAN. The gentleman will state it.

Mr. MCHUGH. Mr. Chairman, my unanimous consent request was to open title VII up to the last provision, which would still have to be read.

The CHAIRMAN. The last provision being the last three lines of title VII?

Mr. MCHUGH. That is right, Mr. Chairman.

The CHAIRMAN. That is the Chair's understanding.

Mr. WALKER. Mr. Chairman, reserving the right to object—

The CHAIRMAN. The request has already been permitted. The Chair simply confirms that was the ruling of the Chair when no objection was entered at the time the request was made.

The Chair is now asking, are there any points of order.

PARLIAMENTARY INQUIRY

Mr. OWENS of Utah. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. OWENS of Utah. Mr. Chairman, I did not hear the acting chairman of the subcommittee state the reservation that three lines were reserved at the end in his original request.

The CHAIRMAN. That was part of the request.

Mr. OWENS of Utah. Mr. Chairman, I misunderstood the Chair. The parliamentary inquiry is, did in fact the acting chairman of the subcommittee reserve the last three lines in his original request for unanimous consent?

The CHAIRMAN. The gentleman is correct, he did.

Mr. OWENS of Utah. Mr. Chairman, he did not?

The CHAIRMAN. He did.

Mr. OWENS of Utah. I thank the Chair.

AMENDMENT OFFERED BY MR. OWENS OF UTAH

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

The Clerk read as follows:

Amendment offered by Mr. OWENS of Utah: Page 83, line 16, strike the comma and insert "with respect to tobacco subsidies or".

Mr. OWENS of Utah. Mr. Chairman, I do not think the Members know that hidden in this bill is \$3.5 million to promote tobacco sales abroad. It is possible, as the acting chairman of the subcommittee has indicated, that I will not be able to get my amendment to a vote, because of his motion to rise and report, so, at the appropriate time, we will challenge the attempt to do that and require a vote on the motion to rise and report.

The only way Members may have the opportunity to vote on cutting this \$3.5 million, or restricting, at least, any use of American funds to promote tobacco abroad, will be to defeat the motion to rise and report.

Mr. Chairman, when it comes to tobacco, the United States has become addicted to bad policy. In fact, our country is displaying a double standard of the worst kind. We have a schizophrenic policy. On the one hand, the United States has made a concerted effort to curb tobacco use and educate the public on the health risks of smoking. We have enacted programs to increase the excise tax on cigarette products, to place strong health warnings on cigarette products and advertisements. We have created a Federal office on cigarette products, on smoking and health, and have banned all smoking on domestic commercial flights.

On the other hand, and I am not sure if Members all realize this, but last year we gave \$3.5 million in grants to tobacco farmers to promote tobacco overseas. Taxpayers are actually paying to help market and manufacture tobacco more efficiently, and this spring United States Trade Representative Carla Hills tried to persuade the Government of Taiwan to soften health warnings on cigarette packages.

Mr. Chairman, this policy is insane. In May 1992, the American Cancer Society cancer prevention study revealed that if current smoking rates continue, more than one-fifth of all people now living in developed countries will be killed by tobacco. Think of that. This is equivalent to the entire population of the United States. People now living will die from tobacco use, and our taxpayer dollars are helping kill them.

Mr. Chairman, the number of smokers in the United States has dropped 32 percent in 22 years. That is impressive progress here at home. In response, 2 years ago Vice President QUAYLE announced at a news conference that because Americans are smoking less, we should expand our exports of tobacco abroad. In other words, because our country is becoming smarter about the health risks of tobacco, the Vice President suggests we use our scarce tax dollars to create a growing demand for it abroad.

How does the Vice President explain away the Department of Health and Human Services advice? Hear the Vice President:

Secretary Sullivan comes at it from the health aspect. He has got reports that indicate quite strongly that smoking is injurious to one's health, but on the other hand, we are not going to deny a country an export from our country because of that policy.

□ 1800

The American taxpayers are paying billions of dollars each year for research and for cures for cancer, lung diseases and heart ailments, and at the same time these taxpayers are spending millions of dollars to promote these very same diseases overseas.

According to Kirk Wayne, president of the Tobacco Associates, a trade group which promotes tobacco exports, 50 million dollars' worth of new sales was generated last year alone as a direct result of these Federal grants. So our taxpayer dollars to promote American products, they are working for us, we are promoting America's tobacco, undoubtedly the best in the world, the most sought after, the best blended, the best tasting poison in the entire world. People all over the world, in fact, if you will pardon the expression, will die to smoke American tobacco, and today, unless this amendment is accepted, we, the Congress, are committing millions of dollars, American taxpayer dollars to peddle the ultimate carcinogen to the world.

What are we actually exporting here? Deaths, deaths that would have been American deaths before this enlightened age of declining American smoking. We are paying taxpayer dollars to export cancer and emphysema so our tobacco farmers can stay in business. That is too great a price for a humanitarian nation to pay to prop up a failing, a flawed industry.

This is the reality America must confront, and it is in fact a moral dilemma. We are spending \$80 million each year to convince Americans not to smoke, and thereby saving countless American lives. How in the name of all that is moral and decent can we spend other millions to promote smoking by our neighbors in the world, our fellows on planet Earth in the sure knowledge that we are really promoting suffering and early death?

We can solve the moral dilemma right here and now. Let us kill this odious marketing subsidy today, not foreign consumers 20 or 30 years from now.

Mr. CAMPBELL of California. Mr. Chairman, I ask unanimous consent that the amendment of the gentleman from Utah [Mr. OWENS] be made in order before the motion to rise.

The CHAIRMAN. The amendment is already pending.

Mr. CAMPBELL of California. I ask unanimous consent that it not be subject to a challenge and that it be heard before a motion to rise.

Mr. HATCHER. Mr. Chairman, I object.

The CHAIRMAN. A timely point of order was not reserved, and consequently the amendment is pending.

Mr. DURBIN. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Utah.

This is a bill to fund the U.S. Department of Agriculture. The supporters of this bill stand before us, and I am one of them, and speak in terms of the food and fiber needs of America and the world. The product of which we are speaking is neither a food nor a fiber. Tobacco is a deadly product which when used according to the manufacturer's directions will either kill you or cripple you.

The United States of America, through its Department of Agriculture, is subsidizing the export of this deadly product. There are \$75 million reserved within this account to promote American agricultural products. That is substantially less than what was asked for by the Bush administration. I can tell Members that if we had given the \$200 million asked for by the Bush administration that worthwhile products, agricultural products, food and fiber products would have been denied these same market promotion funds.

Instead, what we have seen by this administration through its U.S. Department of Agriculture is a subsidy of the export and promotion of this deadly tobacco product. The gentleman from Utah is correct. Our health policy and our agricultural policy are in conflict.

We have an opportunity today to stand up and make it clear that we are not two-faced when it comes to tobacco. We cannot say to Americans across the board protect your children from the harms of environmental tobacco smoke, we cannot say to American passengers in airplanes that it is dangerous for them to be exposed to smoking and secondhand smoke, and then promote this product overseas so that people can literally be killed around the world because of our promotion efforts.

For decades the United States of America has enjoyed a reputation of sending overseas cures for diseases, nutrition, ways to raise healthful crops so that developing countries can make it in the world, and I am very proud of that tradition. But that tradition is defiled by the fact that we take millions of our taxpayer dollars now and promote this addictive habit in developing countries around the world.

I would say to my friend from Utah I stand in support of his amendment. I hope that we can restrict the use of these market promotion programs and that they will not be used for tobacco products.

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

Mr. DURBIN. I am happy to yield to the gentleman from Kentucky.

Mr. MAZZOLI. Mr. Chairman, I want to thank the gentleman from Illinois and the gentleman from Utah, and confess that this is one of the more nervous moments of my life. But I support the gentleman from Utah's amendment.

I am from a tobacco State, but I think we have reached the point where it is impossible to ignore the reality that we are subsidizing something which is not healthy for the people who do not live here in the United States, when at the same time we are spending tens of millions of dollars in health care, and we are going to debate that issue very soon, health care costs which are at least in part avoidable if we can take better care of ourselves.

I think we have to do something for the tobacco farmers in my State of Kentucky. I think we have to be sure that we have a conversion program similar to the one that we are using to convert defense workers to jobs in the regular domestic sector.

But I think at this point, under these circumstances tonight, I think the gentleman from Utah's amendment is in order, and I appreciate the gentleman from Illinois yielding to me.

Mr. CAMPBELL of California. Mr. Chairman, I move to strike the last word.

PARLIAMENTARY INQUIRY

Mr. CAMPBELL of California. Mr. Chairman, if I might commence with a parliamentary inquiry, I wish to be sure that the amendment offered by my colleague from Utah would not be subject to a motion to rise. Am I so assured, Mr. Chairman?

The CHAIRMAN. A motion to rise and report will only be in order when the last three lines of the bill are read. The pending amendment comes prior to that point in section 727.

Mr. CAMPBELL of California. I thank the Chair.

I rise in support of the amendment offered by the gentleman from Utah, and I would offer an observation. I was impressed as well by the thoughts of my colleague from Illinois.

In offering export subsidies we support the production of tobacco. You cannot make a distinction, and say well, I am only supporting it for export overseas. When you create more of a market, when you create an economic incentive, you support the entire industry. Accordingly, to vote in favor of support of the export is to vote in favor of this domestic industry as well.

Many times when I address my constituents in town hall meetings I am asked what about the tobacco subsidies, do I not think we should get rid of them. I responded it has been very clever how this has been worked, that you cannot really find a line item in a budget called agricultural subsidies for tobacco. There are two things going on. One is an antitrust amendment which allows tobacco growers to get together

and suggest a price, which price is then passed along to Leggett & Myers, American Tobacco, Brown & Williamson, and ends up as a higher price to the cigarette smoker. This has the same result economically as though there had been a direct Government tax upon smokers and given as a subsidy to producers. But you cannot get at this one directly, because it does not say subsidy on it.

Today we have a chance to get at it directly. It does say subsidy. It just happens to be called an export subsidy.

I support the logic of the gentleman from Utah. It is a subsidy for an industry that should not be subsidized.

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

Mr. CAMPBELL of California. I am pleased to yield to my colleague from Kentucky.

Mr. ROGERS. Mr. Chairman, will the gentleman agree, aid granted to farmers in California in the form of water subsidies or other subsidies, those are subsidies to farmers?

Mr. CAMPBELL of California. There are subsidies to farmers of California.

Mr. ROGERS. Should they not also be stricken as well?

Mr. CAMPBELL of California. I believe all agricultural subsidies should be stricken.

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

Mr. Chairman, I have been in these fights for an awful long time, and I am not sure exactly where they are headed. But I would say to my colleague on the other side of the aisle who just spoke, a long time ago we took the subsidy out of tobacco growing.

If the gentleman is going to contend that it is in the best interests of antismoking efforts in this country to do away with the tobacco price support program so the companies can get a cheaper product, that is where his logic was headed, and I do not follow it.

Mr. CAMPBELL of California. Mr. Chairman, will the gentleman yield?

Mr. ROSE. I yield briefly to the gentleman from California.

Mr. CAMPBELL of California. Mr. Chairman, I will be very brief. Whether it is a cartel price or a subsidy, it is a grant of money to the grower.

□ 1810

A higher price does not result in less demand.

Mr. ROSE. It is not taxpayers that pay any subsidy in that price.

Mr. CAMPBELL of California. Mr. Chairman, will the gentleman yield further?

Mr. ROSE. I yield to the gentleman from California.

Mr. CAMPBELL of California. It is the grower who gets the subsidy from the consumer. It is a tax identical in economic effects to a tax on a cigarette package.

Mr. ROSE. The question before us in the amendment by the gentleman from

Utah [Mr. OWENS] is whether or not a tobacco cooperative in Raleigh, NC, called Tobacco Associates will be allowed to use \$3.5 million in market promotion funds to promote the sale of leaf tobacco overseas, not cigarettes, not manufactured cigarettes.

Now, WAYNE, I know this is popular in Utah. You made a great speech for home consumption, but let me tell you something, Philip Morris is smiling all the way to the bank, because they will not have to compete. They will not have to compete. They will not have to compete. They will not have to compete, WAYNE, with the Tobacco Associates organization that recently showed the Turkish Government how to make its own cigarettes.

Mr. OWENS of Utah. Mr. Chairman, will the gentleman yield?

Mr. ROSE. I am happy to yield to the gentleman from Utah.

Mr. OWENS of Utah. May I say to my friend, old friend, we came to the House together 20 years ago, first of all, that the rules, just so old friends do not get angry at each other, do not permit old friends to address each other in the first person on the floor of the House.

Mr. ROSE. I am not angry.

Mr. OWENS of Utah. Let me just say to my old friend who came to the House 20 years ago with me, this gentleman is saying that \$3.5 million of American money has been spent in this year to promote the sale of American tobacco products abroad, and that is exporting death.

Mr. ROSE. Leaf tobacco.

Mr. OWENS of Utah. What is in cigarettes, I ask my friend, if it is not tobacco?

Mr. ROSE. The problem is that—

Mr. OWENS of Utah. It is not the paper that is lethal, is it, Mr. ROSE, Sir.

Mr. ROSE. No, it is not, Mr. OWENS. It is not, but the problem is here that you are undercutting a grower who is in the business of marketing a legitimate product overseas.

I know this is a very difficult distinction for many of you. I spend a lot of time making distinctions around this place.

This is one you all do not choose to make, and I regret that very much. But I would urge, and I am not going to ask for a recorded vote here, and I have no fear that the mood will be overwhelmingly in favor of adopting this amendment because of the reasons you have said, and I hope, Mr. Chairman, you could not reserve a point of order, do not call for a record vote on this, but let it be adopted by the House.

Mr. KOSTMAYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have great respect for my friend from North Carolina, but let me tell you how bad this program is.

The tobacco group, Tobacco Associates, applied for a grant from the De-

partment of Agriculture to promote American tobacco overseas. Then they gave \$650,000 of their money to the Turkish Government to build a machine that manufactures cigarettes with American tobacco, and then on top of that \$650,000, Tobacco Associates gave themselves a \$200,000 consulting fee, \$850,000 of taxpayers' money, \$650,000 of which went to the Turkish Government tobacco monopoly plus a \$200,000 fee for consulting.

I think that is an outrage. I think it is wrong.

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

Mr. KOSTMAYER. I yield to my very good friend from North Carolina.

Mr. ROSE. I am amazed at the temperature we can achieve around here over this subject.

But do you know who the main people were that came to us and objected to this piece of equipment going to the Turks?

Mr. KOSTMAYER. No, sir.

Mr. ROSE. Philip Morris. Philip Morris says, "We want to be able to sell our own cigarettes."

Mr. KOSTMAYER. Reclaiming my time, I wonder if the gentleman from North Carolina disputes anything I said.

Mr. ROSE. I do not dispute anything you said.

Mr. KOSTMAYER. If I could reclaim my time, I will say to my very good friend, just remember two things, \$650,000 to the Turkish Government to build a cigarette-making machine, \$200,000 of American taxpayers' money for the consultant that gave the Turks the money. The gentleman does not dispute what I said.

That is just plain wrong. There is no way around it.

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

Mr. KOSTMAYER. I yield to my good friend, my very good friend, the gentleman from North Carolina, who came here with the gentleman from Utah [Mr. OWENS] 20 years ago.

Mr. ROSE. The gentleman knows, and I think the gentleman from Utah [Mr. OWENS] himself reported, that Tobacco Associates said that they were able to export \$50 billion worth of additional leaf tobacco from the growers in our States, in Virginia and South Carolina and Kentucky and North Carolina, directly to Turkey so Turkey could make its own cigarettes.

Now, they were agricultural exports, aid the balance of payments, and I contend to you that if the Turks did not buy that tobacco from the United States grower, they would buy it somewhere else.

I understand the arguments that you are making, and I appreciate your position.

Mr. KOSTMAYER. Reclaiming my time, I understand the arguments that

gentleman makes. The gentleman says that by promoting this we are promoting the export of American tobacco.

Mr. ROSE. Absolutely.

Mr. KOSTMAYER. That is helpful to the economy of the States, and I understand it.

I just ask that, given the circumstances in the country, with the deficit we have, is this really something we ought to be doing, paying a \$200,000 consultant fee to these people and \$650,000 to the Turkish Government?

Mr. ROSE. And I have already agreed with the gentleman that the House probably overwhelmingly agrees with his position. I thank the gentleman for yielding.

Mr. KOSTMAYER. And I thank the gentleman from North Carolina.

Mr. ORTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will not take the entire time.

Mr. Chairman, I would just like to rise in support of the amendment and commend the gentleman from Utah, my colleague, from whom I had the distinct pleasure as a young law student to learn from him the legislative process.

He is absolutely correct on this amendment. How can we justify the expenditure of millions of taxpayers' dollars to subsidize a crop which we know is lethal, which we know kills people, whether it is for domestic or for foreign consumption? It is wrong.

The taxpayers do not want to spend their money on such a subsidy, and I support the gentleman's amendment very strongly.

Mr. ATKINS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, this amendment points out and gets at the heart of the insidious relationship between the tobacco companies and this Congress, and specifically the shell game that they are playing.

Because the gentleman from North Carolina [Mr. ROSE] is quite correct when he talks about this amendment in terms of promoting U.S. leaf abroad and helping U.S. tobacco exports, but at the same time that we are spending our taxpayer money to do this, to promote this deadly and lethal product, a product for which one in five people in the world will die a premature death as a result of the use of it, that the amount of domestic leaf, the amount of domestic tobacco leaf in U.S. cigarettes has declined dramatically.

In 1970, it was 80 percent domestic content. We are now down to less than 65 percent. So what the cigarette companies have done is they have squeezed out U.S. tobacco leaf growers.

The gentleman from North Carolina [Mr. ROSE] has spoken eloquently on a

number of occasions and, at the same time, demanded subsidies. And where is this money going? This money is going overseas for machines which will process allegedly U.S. tobacco for tobacco cigarette manufacturing machines. But what happens to it?

We buy the machines. They start out with it, and sure as anything, they will switch and start using other leaf in short order.

We spent millions of dollars in Iraq financing them to set up plants to manufacture domestic Iraqi cigarettes, an absolute outrage, and then after they started the program, they stopped using American leaf.

The tobacco industry is perpetrating an absolute sham on the taxpayers. They are playing a game with us. There is not a single product that has a higher priority with the U.S. Trade Representative than tobacco.

□ 1820

Around the world the U.S. Trade Representative puts tobacco first, ahead of any other product. This is not a harmless kind of activity. What it is doing and what the emphasis on tobacco exports is doing is hurting our exports of other agricultural products, healthy ones. It is hurting the export of electronics and of other American manufactured products.

This amendment is an important amendment and I hope it is the start of a good effort.

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

Mr. ATKINS. I yield to the gentleman from Pennsylvania.

Mr. KOSTMAYER. Mr. Chairman, just for 30 seconds, if I could remind Members that when I stood up to speak awhile ago and the gentleman from Kansas [Mr. GLICKMAN] began all that long problem we had, this is the same program I was talking about. Just keep in mind that the \$3.5 million for tobacco is part of a larger program of \$200 million. From this program:

Pillsbury gets \$3.2 million.
Dole, \$2.5 million.
Welch's, \$1.2 million.
Tyson's Chicken, \$1.2 million.
Sunkist got \$10 million.
Blue Diamond Almonds, \$6.6 million.
Gallo Wine, \$5.1 million.
McDonald's, to promote McNuggets in Japan, \$465,000.
Campbell's Soup, \$450,000.
Seagram's \$146,000.
Del Monte, \$70,000.

Whether we are subsidizing tobacco or subsidizing any of these products, we spent \$200 million on it. The committee deserves to be commended because they have reduced it from \$200 million to \$75 million. They made some changes, but I wonder if we ought to be spending \$75 million giving this money to enormous companies overseas to advertise their products.

Mr. NEAL. of North Carolina. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I appreciate very much the moral outrage of my colleagues, but I think you are in error and I want to point out how you are in error.

What you are talking about doing with this, and I agree with my friend, the gentleman from North Carolina, that I do not think I am going to have anything to do with the outcome of this vote. I think the amendment will pass overwhelmingly, but probably for the wrong reasons, because you are not going to affect one cigarette, whether one cigarette less or more is smoked. I think that is what you believe you are doing.

I believe you think that somehow by this amendment you are going to reduce the number of cigarettes smoked somehow, but you are not, because in countries where tobacco is legal people make choices. They choose one brand over another and they will either choose a brand made with tobacco from our country, or they will choose a brand made with tobacco from another country.

Now, I have got an answer for you. If you want to really solve this problem, bring forward some legislation that will just outlaw tobacco, just make cigarettes illegal. Bring it to the House. Let us get a vote on it and let us see what happens. See if you want to go home and tell your constituents, whatever they are, 40 percent of them that smoke, that you think they should be criminals under the U.S. Criminal Code.

If you do not do that, if you do not want to do that, then why not let people use the product of their choice.

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

Mr. NEAL of North Carolina. Yes, I yield to the gentleman from Utah.

Mr. ORTON. I would merely like to point out to my friend, Mr. Chairman, that we are not talking about making legal or illegal the use of a product. We are talking about spending U.S. taxpayer dollars to subsidize. I think there is a vast difference between spending dollars, which could be spent on other programs or could reduce the deficit, on that type of a product.

Mr. NEAL of North Carolina. Mr. Chairman, let me respond to my friend.

This money is not a subsidy. This is an export promotion program, as I understand it. I believe that is what the author of the amendment has in mind.

Now, I am not no expert on this, but what I understand that they do is they say, these Department of Agriculture officials who are engaged in promoting American products abroad—tobacco products, grain products, and other commodities—in countries where tobacco is legal, that they say, "We think this is a superior tobacco product."

To people who are going to buy tobacco in one form or another, they are

either going to buy tobacco grown in this country—as I understand it, tobacco provides a big part of our trade. It is one of the few positive elements in our trade position with the rest of the world.

Again, I think there is some misunderstanding here. It can be cleared up, by the way. It can be cleared up just by outlawing it, but I think what we are doing is we are basing what we are about to do on just misinformation. It is not a subsidy. We are not going to affect one person smoking a cigarette. You are not going to stop any person in Turkey or in the United States or in any country from smoking. You are just going to say that they are not going to use American tobacco.

Mr. OWENS of Utah. Mr. Chairman, will the gentleman yield?

Mr. NEAL of North Carolina. I yield to the gentleman from Utah.

Mr. OWENS of Utah. Mr. Chairman, does the gentleman, however, not agree that there is a schizophrenic policy here evident? The Federal Government is spending \$80 million telling people not to smoke, hundreds of millions of dollars to treat people who have, and, on the other hand, spending, \$3.5 million to help promote our tobacco products abroad. And that is a schizophrenic spending dilemma on top of a moral dilemma. We are exporting a product that we know will bring death; we are promoting its sale abroad.

Mr. NEAL of North Carolina. On that point, Mr. Chairman, like I say, and I honestly mean this, I appreciate the moral concern on this and other issues, there is no question in my mind about that; but I just do not think we are getting at it. I mean, this is nibbling around the edges.

Remember, I am really serious about this. You are not going to affect one cigarette; there is not going to be one cigarette less smoked in the world.

Now, let me get to the point of promoting our products.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

(By unanimous consent, Mr. NEAL of North Carolina was allowed to proceed for 2 additional minutes.)

Mr. NEAL of North Carolina. Frankly, I am at a loss. The question is only this. Since there is not any less tobacco used in any country, the question is will it be tobacco that is grown in this country or will it be tobacco that is grown in another country?

Now, I think the gentleman is saying that for moral reasons that the gentleman would rather have it be tobacco grown in another country. I do not know, but I think you all are trying to accomplish something, frankly, that you are not accomplishing with this amendment.

Mr. THOMAS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. NEAL of North Carolina. I yield to the gentleman from Georgia.

Mr. THOMAS of Georgia. Mr. Chairman, is it not true, and I think as the gentleman is talking about tobacco being bought from other countries, that it should be pointed out that at least in this country we have very careful controls and restrictions on the chemicals used on our crops and residue that results. In other words, we are growing under standards. Most other countries do not do this.

So as the gentleman has pointed out, we are simply turning the market to other areas where there is no quality control or standards. It just does not wash, in my opinion.

Mr. NEAL of North Carolina. I know we are going to lose on the amendment, and again I have the greatest respect for my friends who are talking about this. I know they are sincere, but honestly, the way to get at what you really want to get at is to bring us legislation that will outlaw the product.

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

Mr. NEAL of North Carolina. I yield to the gentleman from Pennsylvania.

Mr. KOSTMAYER. Mr. Chairman, the gentleman has made a good point. This is not going to reduce the number of cigarettes smoked, either in this country or anywhere in the world, and I do not think anyone here would contend that it would; but what it will do is eliminate those funds which subsidize tobacco, and I think they are a subsidy.

Mr. NEAL of North Carolina. No; it is not a subsidy.

Mr. KOSTMAYER. If I could just finish my statement, and I appreciate the gentleman yielding.

These funds, in the case of the example I gave, \$650,000 went to Tobacco Associates, who then gave it to the Turkish Government to build a machine that is involved in the manufacturing of smoking products and cigarettes. That seems to me clearly a subsidy to the industry. It is taxpayers' money.

The question is not whether this will reduce smoking. The gentleman is right. It will not. The question is; Should American taxpayers be subsidizing this?

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. NEAL] has again expired.

(At the request of Mr. KOSTMAYER, and by unanimous consent, Mr. NEAL of North Carolina was allowed to proceed for 30 additional seconds.)

Mr. KOSTMAYER. The question, should American taxpayers be paying these funds for these purposes, I think the gentleman is quite right. We should not be.

Mr. NEAL of North Carolina. That is the judgment call, but I just want to say that the outcome of that is not what you anticipate.

All it means is that our trade deficit will go up. We will sell fewer of our products abroad; fewer of our people will be employed.

□ 1830

If that is what you want to accomplish, you do it.

Mr. ANDREWS of Texas. Mr. Chairman, I move to strike the requisite number of words. Mr. Chairman, I just want to mention a couple of statistics which have taken place in Southeast Asia. It is not about economics.

In Taiwan, since our Trade Representative has fought so hard to open up their markets in Southeast Asia, teenage smoking has grown 44 percent in 2 years. The overall smoking rates jumped 28 percent to 34 percent in Taiwan after years of steady decline. In Japan, college women are now four times as likely to smoke as their mothers smoked.

Mr. Chairman, we bear a great deal of the responsibility here. This country has seen just the opposite impact, as men and women learn much, much more about the risks of using tobacco products. Smoking has declined in America. And yet the hypocrisy of this policy is at the very time that the Surgeon General is discouraging smoking here among young teenagers, we are helping to open up these markets in Southeast Asia, encouraging young Southeast Asians to take up smoking. That is a hypocritical policy. And the gentleman's amendment will help put a stop to that.

This is an issue not just about economics; it is about leadership; it is about health care.

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

Thousands of U.S. farmers and tobacco workers and many related industries will be hurt if this amendment is agreed to. And I ask for what? Will tobacco not be produced in other countries if we end funds for the Market Promotion Program? Of course it will. Leaf tobacco and manufactured tobacco products are sold worldwide in legitimate channels of trade and commerce. Leaf tobacco is grown in more than 100 countries and tobacco products are manufactured in dozens of countries.

Eliminating these funds will only mean that U.S. tobacco producers will be less competitive on the world market and foreign buyers and users of tobacco will purchase the products from someone else. Why should we put our farmers and workers at this disadvantage? There is absolutely no evidence that smoking will be reduced anywhere as a result of this action. In fact, it has never been proven that this program has created a single new smoker, but it has only been successful in replacing foreign-grown leaf with American leaf in many cigarettes manufactured overseas.

Ending this program for tobacco not only means displacing American jobs but it means a loss of revenue. Trade in tobacco and tobacco products in recent years has produced one of the few bright spots in our national balance of trade. In 1991 the excess of tobacco exports over imports amounted to \$5.6 billion.

I urge my colleagues to vote against the Owens amendment. It will not help anyone, but instead hurt American farmers and workers.

Mr. LANCASTER. Mr. Chairman, I am opposed to the amendment of the gentleman from Utah. I appreciate what the gentleman is trying to do, but this amendment will not stop one cigarette from being smoked anywhere in the world.

These moneys have been used to help domestic tobacco farmers market their crop in overseas markets. However, none of the funds are used for advertising or any kind of consumer demand stimulation.

For example, the program helped establish a plant in Turkey which makes use of United States grown tobacco. Hopefully, the Turks will continue to purchase United States tobacco. However, if this initiative had not been undertaken, the Turks would have still built their plant and manufactured just as many cigarettes. The only difference is that they would be using Brazilian or some other tobacco for their products.

Let me point out that the money we have spent in Turkey was extremely cost-effective. For every dollar spent, we generated \$51 in additional export sales. Not including more than \$100 million in 1991 purchases that will be shipped in 1992, the 5-year result has been sales of over \$110 million in U.S. unmanufactured tobacco exports. Prior to this initiative, United States unmanufactured tobacco exports to Turkey were zero.

All this amendment will do is hurt my tobacco farmers, and their families, in small towns and communities across eastern North Carolina. The cigarette companies do not get one penny of this money. In fact truth be known, they do not like this program because it helps displace their name brand products. These companies are already using huge quantities of imported leaf for their products. If we do not help our domestic producers develop new markets, they will rapidly become part of our economic history.

Mr. Chairman, we must wake up to the economic facts. We have already sold our textile jobs down the river to Mexico and the Far East. Are we now going to do the same with our tobacco farmers? The European Community is now engaging in an unfair trade practice by subsidizing tobacco production at a level of \$800 to \$900 million per year.

I would point out that only a small amount of the total funding for MPP has been going to help tobacco farmers promote what they have grown. And grown legally I might add. Last year the MPP was funded at \$200 million for all farm commodities. Of this amount, tobacco farmers received perhaps \$3 million to promote overseas tobacco sales.

This year the Appropriations Committee is proposing to fund the whole program at just \$75 million. If an across the board cut is made in all programs under MPP, it could mean that my home State tobacco farmers will receive only a very small amount of funding indeed.

Last, I would point out that as much as some of my colleagues do not like smoking or supporting anything to do with tobacco, this is a bad amendment. Tobacco is perfectly legal. What will be the next farm product that makes the hit list? Some argue strenuously that red meat is harmful, and causes heart disease. Should we stop promotion of red meat? This amendment starts us down a dangerous road.

Mr. ROWLAND. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Utah.

This is a significant economic issue to farmers in my area of Georgia and to all of the country's tobacco growers. The market promotion program helps promote the sales of leaf tobacco overseas and that provides a direct return to the farmers I represent and, in fact, to entire communities in farm belt areas.

The proponents of this amendment do not question the validity of export promotion programs for other commodities. Tobacco farmers have the same economic pressures as any other farmers. As long as we tell farmers that tobacco may be legally grown and sold, and that the consumption of tobacco is a matter of choice, there is no legitimate reason why we should deprive tobacco producers the programs that the Federal Government conducts for other commodities and to threaten them with economic hardship. And it is not only farmers that are affected, but every aspect of the economy in rural areas: retail sales, banking, the service industry. This amendment is a great injustice to the people in rural communities.

Mr. THOMAS of Georgia. Mr. Chairman, I must admit that I am bewildered that my colleague should choose to exclude one particular commodity from participating in a program geared to assist our farm sector.

The simple fact is that tobacco is grown legally and consumed legally both in this country and abroad.

I would suggest that my colleague from Utah, where there is no involvement in the tobacco industry, visit with the farm families in the South where tobacco has traditionally been grown. I would like to see him look those fine, upstanding, hard-working people, with considerable capital invested in their operations, in the eye and tell them that they have no right to a program that is open to every other agricultural commodity grown in the United States.

And he should explain to them why it is acceptable for them to be excluded from a program that supports promotions of other products that have been medically shown to be harmful to health when consumed in excess. And he should explain to them why the product is being excluded when clearly world marketplaces will purchase tobacco from alternative countries which do not mandate the same high standard of chemical control that is imposed by our country.

The bottom line is that tobacco products will be consumed abroad. In accordance, tobacco will be purchased. Why shouldn't it be American-grown, where it is produced and processed under the most healthy conditions possible?

My colleague might think it makes the Congress more honorable because it cuts its nose off to spite its face. To my way of thinking, it just leaves us without a nose.

Mr. ROGERS. Mr. Chairman, I rise in strong opposition to the amendment offered by the gentleman from Utah.

Mr. Chairman, let me clear up the misunderstanding many of my colleagues have about tobacco and the Market Promotion Program. This is a program to build U.S. exports in areas where the United States has suffered from unfair competition in foreign markets.

Proponents of this amendment want you to believe this is a health issue, but it is not. It is solely a competitiveness issue. No Market Promotion Program funds are used to promote tobacco consumption. Eliminating tobacco from the program will not decrease tobacco sales and consumption. The fact is the United States grows less than 10 percent of the world's tobacco.

This amendment will only undercut U.S. farmers in international markets and allow our foreign competitors, such as the European Community, which subsidizes tobacco by almost \$1 billion, to grab the international market. Once again, the United States will lose its position in the international market for a critical commodity which contributes an almost \$6 billion surplus to our balance of trade.

This amendment will help no one, but it will hurt hundreds of thousands of American farmers and workers, numerous States which depend on this important revenue, and the Nation as a whole, which benefits from the trade surplus tobacco generates. The impact on my State would be tremendous—over 160,000 families derive income from tobacco, and tobacco contributes over \$2 billion to Kentucky's economy. My State, and our Nation, cannot afford to lose this important revenue.

My colleagues, American jobs and American competitiveness are riding on this amendment, and I urge you to vote "no."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Utah [Mr. OWENS].

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

Mr. OWENS of Utah. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was agreed to.

The CHAIRMAN. Are there other amendments to this particular portion of the bill?

AMENDMENT OFFERED BY MR. GLICKMAN

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

The Clerk read as follows:

Amendment offered by Mr. GLICKMAN:

"SEC. . The following amount otherwise provided in this act for the following account or activity is hereby reduced by the following amount: Debt restructuring under the enterprise for the Americas, \$34,531,000."

Mr. WALKER. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Kansas [Mr. GLICKMAN] will be allowed to proceed subject to the reservation of a point of order made by the gentleman from Pennsylvania [Mr. WALKER].

Mr. GLICKMAN. Mr. Chairman, this was an amendment that I tried to offer before, and because of the noise and confusion I was not permitted to do so.

Mr. Chairman, the amendment strikes the bill's appropriation of \$69,531,000 to cover losses resulting from debt restructuring and forgiveness, and replaces it with or relieves it of \$35 million from the bill. It cuts it from about \$70 to \$35 million.

The bill permits the President to reduce the amount of debt a country owes the United States for loans made under title I of Public Law 480. Title I authorizes concessional financing for the sale of agricultural commodities to developing countries, including loans with repayment terms of up to 30 years with grace periods of up to 7 years.

What I have done in this bill is recognize there may be some reason for debt restructuring, but in this period of very tight budgets we should not just be forgiving 70 million dollars' worth of debt to carry out the administration's objectives.

What my amendment does is reduces it in half; it says not \$70 but \$35 million will be allowed at the discretion of the President.

The administration proposes in fiscal year 1993 to forgive or otherwise restructure loans for the following countries: Costa Rica, El Salvador, Ecuador, Colombia, and Uruguay. Losses to the Government from the restructuring account for the appropriation in the base bill of \$69,531,000. This amendment reduces that to \$35 million.

All I am saying is in a period of tight budgets when Members are worried about fiscal sanity, it is no good for us just to approve carte blanche \$70 million of debt forgiveness. I think there may be reasons for some of it, so I kept half of it in.

Mr. Chairman, this amendment cuts about \$35 million from the bill. Now, I would point out that this amendment is consistent with the action the House took last week when it approved the foreign operations bill where the committee did not agree with the administration's request for, I think the sum was, about \$200 million in debt restructuring and forgiveness. But the committee provided no funds for the program, a recommendation adopted by the full House.

I recognize there may be some cases for debt restructuring, but not the full \$70 million. This amendment is offered by the gentleman from North Dakota [Mr. DORGAN] and myself to try to bring some sanity to the fiscal situation we have right now.

Before I yield to the gentleman from North Dakota [Mr. DORGAN], I would like to say—and I know the gentleman from Iowa [Mr. LEACH] is on the other side of this amendment—but I want to say from the bottom of my heart that I appreciate his not only good-naturedness but the fact that he showed a great deal of humanity and sensitivity when he argued for righteousness and justice on the House floor by allowing me to offer the amendment in the right place.

I also want to thank the gentleman from New Mexico [Mr. SKEEN] my friend, who showed a great deal of kindness to me as well.

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

Mr. GLICKMAN. I yield to the gentleman from Pennsylvania.

Mr. KOSTMAYER. I thank the gentleman for yielding.

Mr. Chairman, let me say this: This amendment, and I have great respect for my friend from Kansas, but I think Members ought to understand—

Mr. GLICKMAN. Mr. Chairman, if the gentleman is going to argue against the amendment, let me yield to my friend from North Dakota. The gentleman from Pennsylvania has already interfered with my plans once tonight and not in the best way that I would like.

Mr. Chairman, I yield to my friend, the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. I thank the gentleman for yielding. I was going to observe the last time the gentleman from Kansas [Mr. GLICKMAN] got into trouble was because of his yielding to the gentleman from Pennsylvania [Mr. KOSTMAYER].

So I appreciate the fact that the gentleman from Kansas has reconsidered.

Mr. Chairman, I rise to support the proposal by the gentleman from Kansas. We are talking here about \$34 million. Inch by inch and step by step we ought to take a look at what these bills do. My suggestion is that my friend from Pennsylvania reserved a point of order, and I would expect the point of order not to be sustained. I think the gentleman brings this amendment in this section of the bill properly and properly crafted. I think the House would want to entertain this approach.

There are times when perhaps debt forgiveness is entirely appropriate and necessary. I think, however, we have seen in recent years a foreign policy around here in which it becomes sort of fashionable for Monday or Friday action to forgive debt here, forgive debt there, to accomplish something on the other side.

You know, these things ought to be done on their merits, and they ought to be subject to careful review. The sum of \$34 million is a lot of money. I have a lot of folks in my district who would love to see \$34 million of debt forgiveness, especially people who are farmers out there struggling to make a living, with depressed prices, drought, and other problems. So I think the gentleman has offered an amendment that the House ought to accept tonight. I hope that the House will accept it.

I am pleased to join the gentleman from Kansas [Mr. GLICKMAN] in this cut of \$34 million.

Mr. GLICKMAN. Again, my point is a cut of almost \$35 million, moneys that would go forgiving debt to countries overseas; we are going to keep in some of the funds but not all of them. In a period of tight budgets, we are trying to show fiscal restraint, and I urge my colleagues to support this amendment.

The CHAIRMAN. Does the gentleman from Pennsylvania [Mr. WALKER] insist on his point of order?

Mr. WALKER. I do, Mr. Chairman.

The CHAIRMAN. The gentleman will state his point of order.

POINT OF ORDER

Mr. WALKER. Mr. Chairman, I make my point of order under rule XXI clause 2(d), where it states that such amendments as this—reading from the rule—"If any such motion is rejected," meaning a motion to rise, "amendments proposing limitations not specifically contained or authorized in existing law for the period of the limitation or proposing germane amendments which retrench expenditures by reduction of amounts of money covered by the bill may be considered." That is the nature of this amendment.

□ 1840

Under the rule it can only follow after the motion to rise has been defeated, and the gentleman from New York [Mr. MCHUGH] has not yet offered the motion to rise.

So, therefore, Mr. Chairman, this amendment is not in order until after that particular motion has been offered by the gentleman from New York. This amendment, therefore, does not come timely, but must come, according to the rule, after the motion to rise.

The CHAIRMAN. Does the gentleman from Kansas [Mr. GLICKMAN] desire to be heard?

Mr. GLICKMAN. I would just say, Mr. Chairman, that there has been no intervening motion to rise. The amendment is very much like an across-the-board cut in spending which we have on virtually every appropriations bill. The gentlemen from New York [Mr. MCHUGH], Mr. Chairman, did not make a motion to rise, and it is not legislation on an appropriation bill. It is strictly a cut in spending that occurred elsewhere in the bill. So, I do not think the point of order lies.

Mr. WALKER. Mr. Chairman, if I might be heard further, the gentleman from Kansas [Mr. GLICKMAN] has just made my point. He just said the motion to rise has not been offered. The rule states specifically that, if any such motion, meaning the motion to rise, is rejected, amendments proposing limitation not specifically contained, and so on—and it is clear that the amendments can only be offered after such motion is rejected.

So, therefore, Mr. Chairman, the motion to rise would at least have to be made in a perfunctory way in order for this amendment to be in order.

Mr. GLICKMAN. Mr. Chairman, if I just may offer one more point, I do not think that the motion is germane to this particular amendment which is the amendment to just cut spending in the bill.

I realize that the gentleman from Pennsylvania [Mr. WALKER] is now un-

usually standing in the position of trying to prevent a cutting amendment, \$35 million, from being offered to this bill, but I do not think that his point of order is germane to the language of the amendment.

The CHAIRMAN (Mr. SPRATT). The Chair will rule that the rule to which the gentleman from Pennsylvania [Mr. WALKER] refers clause 2 of Pub XXI deals with the legislation on an appropriations bill and refers to a Holman Rule retrenchment and not to a mere reduction in funds. This amendment relates solely to a reduction in the appropriation amount. It is not a retrenchment. It adds a section to the bill, and it adds it to the title of the bill dealing with general provisions. Consequently, the amendment is in order.

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

Mr. Chairman, first let me express my appreciation to the gentleman from Kansas [Mr. GLICKMAN] for crafting an amendment that was not quite as severe as originally drafted. It is only cutting half what the original intent was, but, nevertheless, this amendment does have the effect of undercutting rather profoundly the President's Enterprise for the Americas Initiative.

Let me just mention several ironies about this:

The first irony is that this whole philosophical approach stemmed from the Democratic side of Congress in the late 1980's. It was finally adopted by this administration. But this is philosophically a Democratic Party approach that has now been objected to as it is being put into practice by the administration.

While this administration is, quite frankly, not a very good trumpeter of good policy, there is a further irony, and that is that this whole initiative is far more progressive than the Alliance for Progress. Now we have the party that initiated the initiative, at least philosophically, objecting to a very progressive effort to have warmer, more thoughtful relations with our neighbors to the south.

As to the substance of the Enterprise for the Americas Initiative, the program was authorized in the 1990 farm bill. The program itself allows support for environmental and health care initiatives in Latin America. This particular effort is designed to support countries such as Costa Rica, El Salvador, Ecuador, Uruguay, and Colombia.

Let me also say that the Enterprise for the Americas Initiative is designed to be the cornerstone, not of just an administration, but of our country's efforts to have a new partnership with countries of Latin America and the Caribbean. It is a very symbolic, humanitarian issue. It is also a symbolic environmental initiative because a number of the programs are designed to use funds that would otherwise be

repaid to the Treasury, to advance, often through nonprofit organizations, substantial environmental programs, as well as health care programs, south of the border.

Mr. Chairman, I would very respectfully ask that it be defeated with the recognition that this very progressive policy of the administration is born of this body.

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

Mr. LEACH. I yield to the gentleman from Pennsylvania.

Mr. KOSTMAYER. Mr. Chairman, I want to associate myself very strongly with the gentleman from Iowa [Mr. LEACH], and I want to point out what the administration has done here is very, very important and very worthwhile. They have said to the countries of Latin America, "We will forgive your \$69 million in debt if you will use that \$69 million in your own countries for the environment, for child development, and for health care."

We are not going to get the money anyway, and what the President has said in this initiative, which is a marvelous and very productive initiative, is, "Don't pay us back. We'll forgive you the debt, but only if you use it in your countries on these three projects."

What we are talking about is allowing them to take the money they owe us and use it in their own countries. If they do not use it in their own countries for child development, for health care and for the environment, then they have got to pay it back to us. I think that is very ingenious because I think it is unlikely we will get the money.

Now what the gentleman from Kansas [Mr. GLICKMAN] is doing is saying to that, "No, \$35 million of that, no."

That is \$35 million that will go to the environment in Latin America, to child care in Latin America, to health care in Latin America. It is money that we might have to spend in foreign aid if we did not spend it this way. It is a good deal for Americans. It is a good deal for Latin America. It is a tribute to this administration.

Mr. Chairman, I urge Members of the minority party to support the President when he is right, as he is in this case, and I hope we will, too.

Mr. LEACH. One more modest statement, Mr. Chairman.

The whole environmental conference at Rio was about programs of this nature and asking countries to commit themselves to it. As a government, we did not want to take some of these commitments. I thought we should have, among other things. Some of our commitments preceded that particular conference, and this is one of those that represents a program that I think many of us advocate.

Mr. GREEN of New York. Mr. Chairman, will the gentleman yield?

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

Mr. GREEN of New York. Mr. Chairman, I thank the gentleman from Iowa [Mr. LEACH], my good friend, for yielding to me. Historically, before the debt crisis hit, Latin America was a major trading partner of the United States and one with which we had a most favorable balance of trade. Then, as the debt crisis hit Latin America, the balance of trade, indeed all trade, collapsed, and the result was that we saw ourselves moving from a situation where we had a relatively even balance of trade worldwide to a deficit because we lost the markets in Latin America.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. LEACH] has expired.

(By unanimous consent, Mr. LEACH was allowed to proceed for 5 additional minutes.)

Mr. GREEN of New York. Mr. Chairman, will the gentleman yield?

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

Mr. GREEN of New York. Mr. Chairman, we saw the collapse of our markets in Latin America as the debt crisis collapsed the economies of the Latin American countries.

Now obviously this one bit of debt forgiveness is not going to solve the whole problem, but it is part of a larger effort to deal with the debt problem and rebuild our exports.

In this particular case, as I understand the situation, we are particularly looking towards helping El Salvador and Costa Rica in fiscal year 1993. Those are two countries which have borne the brunt of the terrible struggle in Central America during the 1980's. That was a struggle, in which the United States was very much involved, and, regardless of the position which Members took on one side or the other side of that struggle in El Salvador or Nicaragua, and regardless of the position they took on how that was impacting the surrounding countries in Central America, surely we can understand that we have an obligation now to try to assist those economies to recover, since the situation now seems to be on its way to resolution and we are now trying to help those countries rebuild there.

Mr. Chairman, it seems to me this aspect of the Enterprise for the Americas Initiative is just a very small step to make a contribution to that recovery. It is a case where we can do well by doing good because, first, we can help some countries which were very much involved in the problems in Central America, and, second, by helping ease the general Latin American debt problem we can help ourselves through rebuilding our export trade to Latin America, traditionally a major outlet for American goods.

I therefore urge my colleagues to oppose the amendment.

□ 1850

Mr. LEACH. Mr. Chairman, I appreciate the comments of the gentleman. If I could just for a second add further, the gentleman from New York [Mr. GREEN] puts the issue in a larger economic framework, which is very valid. Part of our strategy has been to re-strengthen Latin America by debt forgiveness. Not only the United States, but a whole spectrum of other countries. Much of the rest of the world believes we have been taking advantage of them by forcing them into comparable programs of debt reduction, even though most of the trade benefits accrue to the United States itself. That is, frankly, a valid observation. But debt forgiveness is important for the health of Latin America as well as the United States.

Mr. Chairman, we have become a major beneficiary of an international debt reduction program. Our exports and our economy has benefited disproportionately to that of other countries that have followed United States leadership and taken like programmatic approaches.

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

Mr. LEACH. I yield to the gentleman from Kansas.

Mr. GLICKMAN. Mr. Chairman, to the brilliant statement of the gentleman from Iowa [Mr. LEACH], I would just like to make the following qualifier: there are a lot of laudable objectives which the gentleman and the gentleman from New York [Mr. GREEN] talked about. The gentleman from Pennsylvania [Mr. KOSTMAYER] talked about health care in Latin America and the environment in Latin America.

All I am doing in this amendment is cutting in half, from \$70 million to \$35 million, the debt forgiveness, so maybe those dollars can go to the health care and environmental needs of the United States. That is really the basic issue here.

Mr. DE LA GARZA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think we need some background as to the amendment before us and the thrust of what the legislation does.

First, for the first time in probably this century we have, from Mexico to Chile, with the exception of Cuba, democratically elected presidents. There has been a little setback in Peru, but nonetheless he was initially elected in a democratic election. They look to us. They try to emulate us.

Last week I had the privilege of attending a breakfast with 11 ministers of finance from the Latin countries. The report which they brought to us was so positive, so really unexpected, of how inflation was down and they were paying their debts. They were reducing corruption and were streamlining their governments. It was a very

positive meeting with Secretary Brady and these ministers of finance.

The only thing they said was, "Don't leave us alone. Work with us." They didn't say "Give." They said "Work with us." And this is one way that we can work with them.

The sad part about it is they look to us as the leader of the world. But yet the initiative for the Americas, only one section is in law at this time, and that was a part in the 1990 farm bill that covered Public Law 480.

This morning from the Committee on Agriculture we passed a bill that will cover CCC debt. Here is an interesting program that many times people say, "Well, why don't these countries pay their debts or why don't we forgive it?"

They do not owe it to us, they owe it to private center banks, to First City, to Chase, and other banks.

But one of the areas they owe is the Commodity Credit Corporation, about \$1.5 billion in nine Latin countries. The Paris Club and the restructuring of the debt has set that amount, and the going rate in the market is like maybe 40 cents to 60 cents on the dollar.

What this proposal does, it says not forgiveness, but we will allow you to pay the debt at the going commercial rate, which would be like maybe 60 cents on the dollar, if you take the savings and apply it to environmental projects back in your country in your own currency.

So it is a win-win situation, because we collect our debt at what would sell in the private sector in that amount 5, 10, 15 years earlier. We take the difference and let them use it for environmental purposes for their country.

In the case of Mexico, the legislation stipulates that it should be used in the Gulf of Mexico or on the border for environmental purposes. This is something being discussed in the North American Free-Trade Agreement.

So I wanted Members to have this background, that they are looking to us, eagerly wanting to work with us, and asking for assistance. Not only old-fashioned foreign aid where they were asking for guns, and ships, and tanks. We have now seen what has happened in the democratically elected areas.

But they still need help. We still have a moral commitment to El Salvador, we still have a moral commitment to Nicaragua, we still have a moral commitment to Chile, we still have a moral commitment to Argentina, because we were part of the process of getting democracy back into those countries.

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

Mr. DE LA GARZA. I would be happy to yield to my colleague from California.

Mr. LAGOMARSINO. Mr. Chairman, I want to commend the gentleman for his statement. For years and years and years the people on your side of the

aisle, not the gentleman particularly, but the people on your side of the aisle criticized the administration for only having, as they called it, a military strategy for problems in Latin America.

Well, we have gone far beyond that. We have gone far beyond that.

As the gentleman from Iowa [Mr. LEACH] said, the idea for what we are doing here came primarily from the Democratic side of the aisle. I think it is a shame that people on that side of the aisle are trying to shoot down or cripple it.

Mr. DE LA GARZA. Mr. Chairman, reclaiming my time, I thank the gentleman. I usually do not want to say "this side of the aisle" or "that side of the aisle." We are dealing here with the House and a concern that I am expressing in a generic fashion. I hope that we do not come down to "this side" or "that side." That is not the purpose of my intervention at this time.

Mr. LAGOMARSINO. Mr. Chairman, if the gentleman will yield further, the point I am trying to make is we are at a position now where much of what we have done is starting to take effect in Latin America. I think that this program that the gentleman is defending is an excellent one. Probably the \$35 million in and of itself is not that important, but the signal that we send, the signal that we would send by defeating this amendment, I think would be a very bad one.

The CHAIRMAN. The time of the gentleman from Texas [Mr. DE LA GARZA] has expired.

(By unanimous consent Mr. DE LA GARZA was allowed to proceed for 1 additional minute.)

Mr. DE LA GARZA. Mr. Chairman, the issue is in the best interests of the United States of America, security, and our own stability. The national security of the United States of America demands a stable Central and South America. Otherwise it will cost us a lot more than the amount being discussed today. We have already spent a lot more. We have already invested a lot more than the amount being discussed here.

Mr. Chairman, our very own national security, the stability in those areas, they look to us for assistance. I think it is time that we accept the responsibility, because in part we are morally responsible for the sustainment of democracy and freedom in those areas where we went and told them to emulate us, this is the way to go. We now have to be responsible and assist them in that endeavor.

Mr. BEREUTER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Glickman amendment. Mr. Chairman, the last discussion by the chairman of the Committee on Agriculture,

the gentleman from Texas [Mr. DE LA GARZA], was certainly on point in several respects.

First of all, the gentleman talked about the importance of the Enterprise for the Americas Initiative and to the security of the United States and to its stability. I think the gentleman means stability of the hemisphere as well as our own. I would add to that the importance of EAI to exports, our exports, as a result of funding the full appropriations suggested by the appropriations subcommittee.

The distinguished gentleman from California [Mr. LAGOMARSINO] in a colloquy with Chairman DE LA GARZA mentioned the fact that we have extended a commitment to the nations of the Caribbean and Latin America by proposing EAI.

Indeed, 31 countries have agreed and accepted our commitment already and taken various actions such as tax and investment actions to take advantage of the Enterprise for the Americas Initiative we have extended to them.

Mr. Chairman, I oppose the Glickman amendment and support the funding of the prepared \$69.5 million included in the Agriculture appropriations bill for restructuring the old debts that some countries in Central and South America which were incurred under the Public Law 480 program.

The authority for this type of debt restructuring was provided in the 1990 farm bill in order to help countries in the hemisphere that are willing to take very serious steps to reform their economies in ways that help trade, investment, and economic growth in the Western Hemisphere.

Supporting this reform process helps U.S. trade, U.S. exports, U.S. jobs. During the 1980's, exports to Latin America dropped dramatically, with real impact on United States exports, particularly of agricultural products. With big debt burdens, many countries were unable to buy U.S. exports or to attract private investors who say those debt burdens stretching far into the future. Instead these countries were forced to put tremendous resources into exporting themselves—anything to get the foreign exchange to pay the bills. Huge areas of rainforest were cut down to make ranches and farms that were not ecologically sustainable, with resulting sales of agricultural products at low prices in international markets just to meet the external debt obligations.

The 1990 farm bill saw that this was a vicious cycle—vicious for the United States economy and exports, vicious for the economic and political stability of newly elected democratic governments in Central and South America, vicious for the global environment. The farm bill authorized Public Law 480 debt restructuring under certain rigorous conditions, with the restructured principal payments continuing to come into the U.S. Treasury and the restruc-

tured interest payments allowed to go into environmental restoration and preservation activities in the Western Hemisphere.

In 1991, debt reduction agreements were concluded with Chile, Bolivia, and Jamaica. In each country interest payments on the new, reduced debt obligations will be channeled into local environmental funds. In fiscal year 1993 a number of new countries should become eligible for debt reduction under these terms.

The \$69.5 million provided in the bill could be leveraged into substantial restructured benefits for up to five more countries including Costa Rica and El Salvador, resulting in total debt reduction of around \$400 million and cash flow savings for the countries of more than \$600 million over the life of these loans. In addition, \$20 million would be generated for funds for local environmental and community development work by local nonprofit organizations in the countries.

Since 1990, the growth in United States exports to Latin America and the Caribbean has accelerated, while exports to the rest of the world have slacked off. In the first 3 months of 1992, U.S. exports to the region were up 32 percent compared to an increase of only 4 percent to the rest of the world. This is the fastest growing export market in the world for the United States.

This debt reduction authority can only be used by the President to the extent provided in appropriations acts.

This amendment would strike, some of this proposed appropriation and reduce thereby some of these many benefits to U.S. exports, U.S. agriculture, global environmental efforts, and our neighboring countries in the hemisphere. I urge my colleagues to support the committee's legislative language and proposed appropriations of \$69.5 million for this element in EAI and the bill and to defeat this Glickman amendment.

□ 1900

The CHAIRMAN. The time of the gentleman from Nebraska [Mr. BEREUTER] has expired.

(On request of Mr. GLICKMAN, and by unanimous consent, Mr. BEREUTER was allowed to proceed for 30 additional seconds.)

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

Mr. BEREUTER. I yield to my distinguished friend, the gentleman from Kansas.

Mr. GLICKMAN. Mr. Chairman, I recall we had a discussion like this on the floor about 2 years ago on another issue, the gentleman knows that issue, but I would just say that I am not against the debt restructuring. It is just that at a time of very tight fiscal policy in this country, I am cutting \$35 million out of \$70 million.

Let us give it a chance to work and let us take that \$35 million and apply

it to the budget deficit of the United States.

Mr. BEREUTER. Mr. Chairman, I understand the good motives of the gentleman. I would be with him all the way if I did not think this amendment was going to cost us an extra amount. This proposed savings is going to cost us in jobs and exports. That is why I am opposed to it.

Mr. RICHARDSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I, too, rise in opposition to this amendment. There are political overtones to this amendment that I wish to explain.

I recognize my colleague from Kansas wanting to reduce the deficit and making the obviously strong argument that we could use this money at home, but what is happening in Latin America right now is democratization and a shift to market economy. The press goes to Eastern Europe and NATO and everyone talks about the democratization there but ignores our own hemisphere.

Mr. Chairman, this amendment would hit two countries the hardest: Costa Rica and El Salvador. These countries do not have big lobbyists running around. They do not have big constituencies. But they are two countries that have done almost everything we have asked them to do.

We asked them to liberalize their economy. We have asked them to institute market economies. El Salvador has gotten through a huge civil war, both the left and the right are together trying to rebuild their country.

This signal that we would send of cutting in half to these two small countries will send ripple effects throughout Latin America.

What we are seeing in Latin America is Argentina moving toward market reforms, democratizing, Brazil, Chile, Uruguay, Mexico.

If we look at what is happening internationally, the world is shifting into trading blocs. GATT is going to fail. What we have to do is integrate ourselves in our own hemisphere. And if we ease the debt burden to some of our friends in the hemisphere, if we increase our own exports, if we increase trade and we push democratization at the same time that we are liberalizing markets, the whole hemisphere benefits. And we move ahead with increased jobs for our people.

Mr. Chairman, I can get as partisan as anybody in this House, but one very positive initiative of this President has been the Enterprise for the Americas for the entire hemisphere. And it has been buttressed by the chairman of the Subcommittee on Western Hemisphere Affairs, the gentleman from New Jersey [Mr. TORRICELLI]. And what we are doing here is sending an unfortunate political signal, and the signal will be read like this: "OK. I am a small coun-

try. I have sought leadership from the United States. I have looked at what Costa Rica has done and the peace process in Nicaragua."

And we turn back and say this: "You know that agreement we had on the Enterprise for the Americas? We are now going to cut it in half."

And although it is a small amount to many of us. To those small countries, it sends an unfortunate political signal.

So I ask my colleagues to reject this amendment, and I understand my good friend's intentions.

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

Mr. RICHARDSON. I yield to the gentleman from Kansas.

Mr. GLICKMAN. Mr. Chairman, first of all, let us make it clear, this is no debt restructuring this year. We are not cutting anything for anybody. This is new authorization under the 1990 farm bill. The President has asked for \$69.5 million. I am just asking, because of the fiscal realities of our country, that we bring it back to \$35 million. No signal to anybody, no cuts at all.

Mr. RICHARDSON. Mr. Chairman, reclaiming my time, the gentleman is cutting one-half of that \$69 million, and it is going to be debt relief, and it is going to hit Costa Rica. And it is going to hit El Salvador. That is the practical effect.

The political effect is going to be our friends in the hemisphere: "Look, we are not going to touch the Pakistans and the Indias and the Middle East countries, but we are going to go after you guys because you are small and you are not that strategically important."

That is going to be the political signal. So I ask my colleagues to proceed with an initiative of backing this Enterprise for the Americas. It is a good initiative. Let us give it a chance, but let us not take it out on El Salvador. Let us not take it out on Costa Rica. These are two good democratic countries that are our friends.

Let us reduce the deficit, but let us not do it on the backs against two countries in a hemisphere that is not as powerful as everybody else. I ask strong rejection of this amendment.

ENTERPRISE FOR THE AMERICAS INITIATIVE [EAI]

BENEFITS TO THE UNITED STATES AND TO THE REGION FROM THE EAI

Latin America and the Caribbean represent the fastest growing regional market for U.S. exports.

U.S. exports to the region have grown by 12 percent annually during the past 5 years—much faster than exports to the rest of the world.

Exports to the region have doubled since 1986—to \$62 billion.

1 of every 7 dollars of U.S. exports now goes to Latin America and the Caribbean.

The United States accounts for 57% of the region's imports from industrialized countries, compared to 29% for Europe and 11%

for Japan—we have the most to gain from stronger economies and more open markets.

Every \$1 billion increase in U.S. exports generates 20,000 export-related jobs.

The Enterprise for the Americas Initiative will: Support economic growth and improve individual welfare throughout the region; open markets for U.S. exporters; expand opportunities for U.S. investors; and ease debt burdens, releasing resources for capital formation, imports, education, health, and the environment.

The United States will benefit through: Stronger growth at home, improved investment earnings, increased exports, more jobs, and better regional security.

To advance the EAI further, Congress needs to: Provide the necessary authorizing legislation (currently pending in the foreign aid bill rewrite); appropriate \$286 million in FY '93 to fund debt reduction; and appropriate \$100 million each year for 5 years for the U.S. contribution to the Multilateral Investment Fund.

ENTERPRISE FOR THE AMERICAS INITIATIVE— UPDATE

The President announced the EAI to spur a new partnership with our neighbors in Latin America and the Caribbean. The EAI proposed action in three areas of key importance to the region—trade, investment, and debt.

Trade

The goal of the EAI in the trade area is to promote free trade throughout the hemisphere. Congress' extension of fast-track implementing authority (thru 6/1/93) has allowed us to begin this effort by seeking to negotiate a North American Free Trade Agreement with Mexico and Canada.

We are also negotiating bilateral framework agreements with countries throughout the region to begin to reduce barriers to trade. We now have framework agreements in place with 31 countries in the Western Hemisphere: Mexico, Bolivia, Colombia, Chile, Costa Rica, Ecuador, El Salvador, Honduras, Peru, Venezuela, the Southern Cone countries of Argentina, Brazil, Uruguay and Paraguay, Panama, Nicaragua, the 13 Caribbean members of Caricom, Guatemala and the Dominican Republic.

Investment

To encourage countries to liberalize their investment regimes and thereby to help them compete for capital, the Initiative proposed creation of two new programs in the Inter-American Development Bank (IDB).

The IDB is actively engaged in its investment sector loan program. The IDB Board already approved loans to Chile, Bolivia, Jamaica and Colombia.

Diagnostic missions have also been sent to other countries, including Costa Rica, El Salvador, Uruguay, Trinidad and Tobago, Argentina, and Guatemala to discuss potential ISLs.

The Multilateral Investment Fund (MIF) is designed to assist countries in undertaking investment reforms that are fundamental to attract private capital into the region.

The MIF Agreement was signed by twenty-one countries at a White House ceremony on February 11, 1992.

The MIF has wide international support—the U.S. and Japan will each contribute \$500 million, and Spain, Germany, Italy, France, Portugal, Canada, and 13 Latin countries have also pledged financial contributions.

Additional countries may participate, advancing the MIF toward the \$1.5 billion funding target. Currently, pledges total approximately \$1.3 billion.

Debt

To reinforce the incentives for economic reform, we propose to reduce existing debts to the USG of countries which are undertaking macroeconomics and structural reforms, are liberalizing their investment regimes, and have negotiated agreements with their commercial banks, as appropriate.

Under the authority we gained from Congress to reduce PL-480 obligations in the 1990 Farm Bill, we concluded debt reduction agreements in the summer of 1991 with Chile, Bolivia and Jamaica.

Local currency interest payments on the new, reduced PL-480 obligations will be channeled into local Environmental Funds established through an Environmental Framework Agreement (EFA) negotiated with each country which receives EAI debt reduction.

On September 5, 1991 President Bush announced the nine members appointed to the Environment for the Americas Board (EAB), the Board established by Congress to advise the President on the negotiations of EFAs and to review implementation of the environmental element of the EAI.

Environmental Framework Agreements are in place with all three recipient countries of EAI debt reduction.

The EAI's envisioned support for the environment is now a reality.

In addition to these actions by the U.S., the IDB has provided resources to Uruguay to help back its debt and debt service reduction agreement with commercial banks under the Brady Plan.

Looking Ahead

Full implementation of the EAI must await action from Congress. U.S. participation in the Multilateral Investment Fund, the reduction of AID debt, and swaps of nonconcessional loans require Congressional authorization and appropriations.

We have made great strides in advancing the new vision for the hemisphere embodied in the Enterprise for the Americas Initiative. Our neighbors in Latin America and the Caribbean have responded with enthusiasm to the prospect of increased trade, investment, and growth. Their commitment to economic reform is producing results. The Administration is committed to pressing forward to realize the full potential of the Initiative. We will be working with the Congress to ensure the continued success of the EAI.

EAI BUDGET COST—FISCAL YEAR 1993 ACTION

[In millions of dollars]

Fiscal year 1993 countries	Stock of debt outstanding ¹		Amount reduced	Budget cost of debt reduction		Funds to nature ²
	AID	Public Law 480		AID	Public Law 480	
Argentina	35.3		8.8	1.7		6.4
Barbados	1.8		0.5	0.0		0.2
Chile	282.5		70.6	25.2		35.0
Colombia	475.9		119.0	54.8		58.9
Costa Rica ³	331.1	117.9	94.3		43.7	21.6
El Salvador	272.8	377.1	519.9	21.1	22.8	21.4
Guatemala ³	194.5	100.3	108.4	50.0		10.9
Jamaica ³	464.9		199.7	50.0		29.3
Paraguay	31.7	1.7	26.7	9.6	0.4	1.7
Uruguay	35.1	1.6	9.2	3.6	0.0	4.3
Subtotal	2,125.6	598.6		216.0	66.9	\$189.7
Total	2,724.2		1,157.1	282.9		

¹ The final determination of the stock of debt will be resolved bilaterally. The amount of debt reduction anticipated could range from 25 to 80 percent for these programs. Eximbank and CCC debt is not addressed.

² The environmental funds reflect the flows from the full amount of debt reduction.

³ Reduction of AID debt for Guatemala and Jamaica will be tranching over 2 years, for Costa Rica over 3 years.

The budget cost of this action as well as the amount of debt reduced, in fiscal year 1994 and fiscal year 1995 is as follows:

	Amount reduced	Budget cost
Fiscal year 1994:		
Costa Rica	162.7	50.0
Guatemala	127.5	47.0
Jamaica	172.2	43.0
Total	462.4	140.0
Fiscal year 1995:		
Costa Rica (Total)	\$102.2	31.4

BENEFITS OF EAI DEBT REDUCTION

The Administration's EAI request for \$286 million in FY 1993 could be leveraged into the following benefits for ten debtor countries in South America, Central America and the Caribbean that we believe will qualify in FY 1993:

Stock of debt reduced by over \$1.1 billion.

For the group as a whole, each dollar of Budget Authority results in 4 dollars of debt reduction. For individual countries the leverage ratio may be higher (i.e., 1 to 11 for El Salvador).

Cash flow savings over the life of the loans of more than \$1.9 billion.

Potential environmental/child development funds of more than \$154 million (in local currency equivalent).

Additional tranches in FY 1994-95 for three of these countries, at an additional budget cost of \$171 million, could be leveraged into additional debt reduction of \$565 million, additional cash flow savings of \$800 million, and additional environmental funds of more than \$50 million.

The story is most dramatic for countries such as El Salvador, Jamaica, Costa Rica and Guatemala.

El Salvador: For a budget cost of about \$45 million in FY 1993:

El Salvador's stock of debt could be reduced by as much as \$500 million; with cash flow savings of more than \$800 million; and potential environmental/child development funds of more than \$20 million.

Such U.S. action alone would reduce El Salvador's debt to bilateral creditors by two-thirds.

Jamaica: The EAI action on PL-480 debt during FY 1991 reduced Jamaica's debt by \$216 million and will provide environmental funds totalling \$9 million.

Further action in FY 1993-94 at a budget cost of \$93 million could result in additional reduction of Jamaican debt by \$375 million, cash flow savings of \$500 million, and funds for the environment/child development of about \$25 million.

As a result of such U.S. action, Jamaica's debt to bilateral creditors would be reduced by one-third.

Guatemala: For a budget cost of about \$97 million spread over FY 1993-94:

Guatemala's stock of debt could be reduced by \$235 million; with cash flow savings of more than \$385 million; and potential environmental/child development funds of more than \$10 million.

Such U.S. action alone would reduce Guatemala's debt to bilateral creditors by almost 30 percent.

Costa Rica: For a budget cost of about \$131 million spread over FY 1993-95:

Costa Rica's stock of debt could be reduced by \$370 million; with cash flow savings of more than \$500 million; and potential environmental/child development funds of more than \$20 million.

Such U.S. action alone would reduce Costa Rica's debt to bilateral creditors by about 38 percent.

Mr. KOLBE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do rise in opposition to the amendment. Most of the arguments have been stated, and I will not take the full time.

I think this is an important issue. It is not just the symbolic issue. I dare say this debate is being watched very closely tonight by the governments of all the Latin American countries. There are many in this body that have criticized the President or this committee for including this money here for Latin American debt restructuring and reduction while at the same time we are ignoring the deficit here at home.

□ 1910

The rhetoric makes for a great soundbite—and I've heard it several times on the radio. But the logic is just plain wrong. Debt reduction for our Latin American neighbors is sound fiscal policy for the United States.

Why are we killing this program here today? One reason is the escalating budget deficit. I completely and totally agree. In fact, I just voted for an amendment that cut a project in my district. It was a worthwhile project—but they are all worthwhile. Unfortunately, we cannot afford them all. So, I voted against a project in my district for the greater good of reducing spending. However, killing EAI debt reduction, as this amendment would do, would have a detrimental impact on our own budget.

By killing EAI debt reduction; we are crushing Latin American hopes for dramatic economic improvement—improvement that in turn increases U.S. jobs due to boosted exports. More working Americans means more revenue—far more revenue—than would be saved by cutting the \$35 million in the first place. We cannot forget the simple fact that the additional jobs that are gained as a result of increased exports helps our budget deficit and our economy. Therefore, I believe the subcommittee made a prudent decision in appropriating this \$69.5 million for the most important foreign policy objective for this hemisphere.

Others would say that because interest rates have fallen so significantly during the past year and a half, Latin America has already benefited from a de facto \$4.1 billion debt reduction. While this is a terrific benefit for Latin America, it's hardly reason enough for the United States to turn our back on the remaining debt problem in the western hemisphere.

And let me remind Members why the Enterprise for the Americas Initiative is so important to this hemisphere. Certainly the folks in Santiago, in Buenos Aires, and in Kingston will be watching closely the actions of this body today.

But the folks in Cleveland, Detroit, and Milwaukee should also be watching and listening.

The Enterprise for the Americas Initiative is this Nation's major policy to unify this hemisphere into a sphere of democracy, free markets and better standards of living.

Since the Presidency of John F. Kennedy, every American President has developed a major policy to improve relations with Latin America. The difference today—and why the Enterprise for the Americas Initiative is so important—is because we have a more receptive audience than ever before.

More Latin American countries are living under democracy than at any time in this century. And, more so than at any other time in our history, Latin America wants friendlier political and economic relations with the United States. Every Latin American nation, with the exception of Cuba, has signed an EAI framework trading agreement with the United States.

We are at the crossroads of a significant opportunity in this hemisphere. And the path to prosperity and harmonized relations between the United States and Latin America leads to goals—increased trade and investment, and decreased debt—that can only be achieved by the EAI.

And by reaching for these goals, we better ourselves. Exports to Latin America have doubled since 1986 to \$62 billion. Indeed, 57 percent of Latin American imports come from the United States. And each billion dollars in U.S. exports creates 20,000 jobs here at home. That means that well over 1 million U.S. jobs are dependent upon trade with Latin America.

And trade with Latin America, in turn, is dependent on this Congress pursuing the American Enterprise Initiative, which will open up markets for more U.S. goods and investments while at the same time furthering democracy and a higher quality of life for partners in the Western Hemisphere. Debt reduction is a key pillar of EAI. Without it, the Enterprise for the Americas Initiative simply will not work as envisioned.

So, listen up Michigan, Wisconsin, Ohio, Illinois, and New York. Killing the EAI debt reduction component, as this amendment would do, hurts your States and your economies.

I urge opposition to this amendment.

Mr. TORRICELLI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. Mr. Chairman, there are people in our country who believe that we are no longer capable of fashioning a bipartisan foreign policy, and indeed, through much of the last decade Latin America alone has given more than ample proof of that belief. The Enterprise for the Americas Initiative is evidence that in this Congress, in this administration, that is no longer the case.

Conceived in a Democratic caucus, proposed by a Republican President,

supported in this Congress on a bipartisan basis, the Enterprise for the Americas Initiative is the foundation of American policy in Latin America in this decade. Its importance cannot be overstated. It is the successor to a decade of conflict, and war, and confrontation in Central and South America. It is many things, but it may be best defined by what it is not. It is not foreign aid.

Contrary to my friend, the gentleman from New Mexico [Mr. RICHARDSON], who stated that the most important beneficiaries are in Central America, the most important beneficiaries are in the United States, because it not only brings security, and stability, and development to the nations of Central and South America, it brings economic opportunity to the United States.

For more than a decade American exports to Latin America have been in a downward spiral. More than half of those markets have been lost, and the consequences for every State and every community in America have been profound. It is estimated that if we had not lost the markets of Latin America in the 1980's, 6 million more Americans would be working today. That is more than half of those who are now unemployed. Half of those markets were lost.

The significance of that is enormous. Latin America is buying more products from the United States than Japan, more than Germany, more than Italy, more than France. It is our largest market, and we are losing it. One of the most important reasons why is a mountain of debt, debt that will never be repaid, but because it remains on the books, because these nations struggle to do so, they are unable to enter into capital markets. They are unable to import.

Who suffers? The nation which has always dominated these trade markets, the American worker, the American company, the American farmer. That is why we conceived this program, and that is why it is so important today that it not be lost.

One final reason. For all of the Members who watched the conference in Rio, for all of the Members who are concerned about children in Latin America, in addition to the American worker, the money that is saved in this program goes into funds in each of these countries paid in their own currencies to buy land, to buy tropical forests, to save environmentally sensitive areas from development, consistent with what all of us believe should happen at Rio. And finally, to help with child welfare in food and medical programs, to be sure that the tens of thousands who are losing their lives to desperate poverty get some help.

I know it is easy to attack debt relief for Latin American nations in a time of austerity for America. But what we are giving up is nothing. It is debt that

will never be repaid, and what we are getting is real, export opportunities for American workers, environmental protection and child protection for the desperately poor.

There is a reason why this administration and this Congress on a bipartisan basis were able to come together for Enterprise for the Americas. There is a reason, because it profoundly makes sense.

I also know it is a vote that can be misinterpreted, but it is an important vote. I ask today on a bipartisan basis that we stand up for the initiative. This is the foundation of American policy in Latin America in this decade, and it cannot be lost.

Mr. KASICH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to take just a moment to compliment both the gentleman from New Mexico [Mr. RICHARDSON] and the gentleman from New Jersey [Mr. TORRICELLI] for two of the most eloquent speeches I have heard on the floor this year, to tell the truth. What the gentleman from New Jersey [Mr. TORRICELLI] just finished saying, talking about the importance of this hemisphere being united, open trade, economic growth, the dignity of individuals in Central America, in all of Latin America, it is very, very accurate and very impressive.

□ 1920

The gentleman from New Mexico [Mr. RICHARDSON], who agonized for a long period of time over what we should do with issues like Contra aid and aid to El Salvador, found himself many times put in between two warring factions on this House floor and was forced to choose at times. I want to say how quickly we forget. I see MARY ROSE OAKAR on the floor, and I remember the painful debate that we went through affecting El Salvador. I happen to have had the good fortune to be in El Salvador the day that President Cristiani came back from the signing of the Mexico Peace Accord Agreement, and to see how hopeful he was that he could work with the enemy, an enemy that had fought the government for many years.

And of course, the people who were the big losers in El Salvador were the peasants, the people who got caught in the middle of this terrible war. Now we have an opportunity not only to have democracy, but to cement democracy, to make democracy a reality in the long term because of economic growth and the prospects of economic growth. The people in El Salvador, the Government leaders in El Salvador I guarantee are watching this debate tonight. They are hopeful that they can make their way through this morass. There are many people in El Salvador who would like to see this present Government fail, who would like to see the

agreement disintegrate, who in some respects would like to see war begin. The potential for war can begin if the economy collapses.

I have great respect for the gentleman from Kansas and he is an outstanding Member of this House. But on this amendment I cannot agree with him because I think in this case the people of these countries—these fragile democracies who are trying to follow a path that we represent—are so sensitive to any of the signals that we may send that say, in one way or another, economically you are on your own, economically we do not care, economically we do not understand, we have our own problems, I think we have to be leaders on this issue. And for that reason, I think we have to reject the Glickman amendment.

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

Mr. KASICH. I yield to the gentleman from Iowa.

Mr. LEACH. Mr. Chairman, just very quickly, in the scope of this bill this is not a major dollar issue. But in terms of perspective, this is truly a referendum on a progressive Latin American policy.

If people believe in debt-for-nature swaps, if they believe in the Rio Environmental Treaty, if they believe in a bipartisan foreign policy which sprung from Congress—and I would stress primarily in the other body from the leadership of Senator BRADLEY—if they believe that an American Presidency should not willy-nilly be undercut, and particularly at this time when it is so progressively correct, I would urge with the greatest respect that we turn down this amendment.

Mr. GLICKMAN. Mr. Chairman, will my colleague yield?

Mr. KASICH. I am glad to yield to the gentleman from Kansas.

Mr. GLICKMAN. Mr. Chairman, I would hate to think that \$35 million will bring down Central and South America, and it will not. This does not affect direct foreign aid at all. This is debt forgiveness under a new program. It was zero last year, zero, my friends, and I am saying \$35 million this year. The administration wants \$70 million this year. That is the nub of this amendment.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, I just want to say that I have been for cutting spending any place we can. But we are giving literally billions of dollars to other parts of the world, billions.

One of the biggest problems we have with Central America, and Latin America, and Mexico is that we are having hundreds of thousands of people fleeing north and coming into the United States across the Mexican-American

border. It is extremely important that there be stability down there, and I just say to my colleague from Ohio that I agree with him 100 percent. This is one area where we must not be penny-wise and pound-foolish. There are a lot of other areas to cut spending that I am for, but this is not one of them.

Ms. OAKAR. Mr. Chairman, I move to strike the requisite number of words. I want to associate myself with my friend from Ohio [Mr. KASICH] and others. He was very eloquent as well.

Mr. KASICH. Mr. Chairman, will the gentlewoman yield for just one brief second?

Ms. OAKAR. I am happy to yield to the gentleman from Ohio.

Mr. KASICH. Mr. Chairman, in regard to what the gentleman said about \$35 million, I think Members have to understand that the people in this region are watching everything now, and they are really, really panicking about their future.

We are going to mark up a Soviet aid bill, and we are going to talk about I do not know how many billions, and here we are talking about millions of dollars on our doorstep to cement something that we all fought for, for so very long.

I really appreciate the gentlewoman yielding.

Ms. OAKAR. I thank the gentleman.

Mr. Chairman, I just want to say that this entire initiative is part of a very intense and thoughtful proposal that was crafted with the help of our neighbors, and in a bipartisan way. And when the administration came to our subcommittee relative to this initiative, we were supportive because we thought it was the right thing to do.

First, we are part of the Western Hemisphere, and let us be honest about it. We have ignored this part of the world, and it is right in our own backyard. These are our neighbors.

Second, there is not a lot of hope of recapturing a lot of this debt. And what happens is this debt is held by the Export-Import Bank which is the financial tool for our own businesses. And by liberating that bank of this particular debt, we will liberate the Export-Import Bank's opportunities for our own businesses. And I think that is a factor that we ought to consider.

Last, it is true that we have a trade surplus with Latin America, that we indeed do create American jobs by exporting to this region of the world. So it is important that they have the cash flow to buy our products. My own State of Ohio is the third largest exporter in the country and we are proud of that, and some of our biggest customers are the countries in Latin America.

So, because of the fact that it is the right thing to do, the moral thing to do to reduce the poverty of this region of the world, our own neighbors, and for our own American jobs, I would ask

Members to vote against the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. GLICKMAN].

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

RECORDED VOTE

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

A recorded vote was ordered. The vote was taken by electronic device, and there were—ayes 78, noes 333, not voting 23, as follows:

[Roll No. 247]

AYES—78

Allen	Franks (CT)	Patterson
Andrews (ME)	Gaydos	Penny
Andrews (NJ)	Glickman	Petri
Applegate	Hancock	Poshard
Bennett	Hoagland	Rahall
Billrakis	Horn	Ramstad
Brewster	Hubbard	Ray
Bruce	Hughes	Reed
Clement	Jacobs	Roemer
Coble	James	Rogers
Condit	Johnson (CT)	Roth
Costello	Johnson (SD)	Sanders
Cox (CA)	Jones (NC)	Sensenbrenner
Crane	Jontz	Shays
Dannemeyer	Kanjorski	Sisisky
Derrick	Kaptur	Slattery
Donnelly	Kolter	Spence
Dorgan (ND)	Long	Stearns
Dreier	Martinez	Tanner
Duncan	Mazzoli	Trafficant
Durbin	McCandless	Valentine
Early	McHugh	Visclosky
Eckart	Moody	Volkmer
English	Neal (NC)	Walsh
Evans	Obey	Wheat
Fazio	Orton	Zeliff

NOES—333

Abercrombie	Clay	Ford (TN)
Alexander	Clinger	Frank (MA)
Allard	Coleman (MO)	Frost
Anderson	Coleman (TX)	Gallegly
Andrews (TX)	Collins (IL)	Gallo
Annuzio	Collins (MI)	Gejdenson
Aroher	Combust	Gephardt
Arney	Conyers	Geren
Aspin	Cooper	Gibbons
Atkins	Coughlin	Gilchrest
AuCoin	Cox (IL)	Gillmor
Bacchus	Coyne	Gilman
Ballenger	Cramer	Gingrich
Barnard	Cunningham	Gonzalez
Barrett	Darden	Goodling
Barton	Davis	Gordon
Bateman	de la Garza	Goss
Bellenson	DeFazio	Gradison
Bentley	DeLauro	Grandy
Bereuter	DeLay	Green
Berman	Dellums	Guarini
Billray	Dickinson	Gunderson
Blackwell	Dicks	Hall (OH)
Bliley	Dingell	Hall (TX)
Boehlert	Dixon	Hamilton
Boehner	Dooley	Hammerschmidt
Borski	Doolittle	Hansen
Boucher	Dorman (CA)	Harris
Brooks	Downey	Hastert
Broomfield	Dwyer	Hatcher
Browder	Edwards (CA)	Hayes (IL)
Brown	Edwards (OK)	Hayes (LA)
Bryant	Edwards (TX)	Hefley
Bunning	Emerson	Henry
Burton	Engel	Hergert
Byron	Espy	Hertel
Callahan	Ewing	Hobson
Camp	Fascell	Hochbrueckner
Campbell (CA)	Fawell	Holloway
Campbell (CO)	Feighan	Hopkins
Cardin	Fields	Horton
Carper	Fish	Houghton
Carr	Flake	Hoyer
Chandler	Foglietta	Hunter
Chapman	Ford (MI)	Hutto

Hyde	Montgomery	Saxton
Inhofe	Moorhead	Schaefer
Ireland	Moran	Schiff
Jefferson	Morella	Schulze
Jenkins	Morrison	Schurner
Johnson (TX)	Mrazek	Serrano
Johnston	Murphy	Sharp
Kasich	Murtha	Shaw
Kennedy	Myers	Shuster
Kennelly	Nagle	Sikorski
Kildee	Natcher	Skaggs
Kleczka	Neal (MA)	Skeen
Klug	Nichols	Staugher
Kolbe	Nowak	Smith (FL)
Kopetski	Nussle	Smith (IA)
Kostmayer	Oakar	Smith (NJ)
Kyl	Oberstar	Smith (OR)
LaFalce	Olin	Smith (TX)
Lagomarsino	Olver	Snowe
Lancaster	Ortiz	Solarz
Lantos	Owens (NY)	Solomon
LaRocco	Owens (UT)	Spratt
Laughlin	Oxley	Staggers
Leach	Packard	Stallings
Lehman (CA)	Pallone	Stark
Lehman (FL)	Panetta	Stenholm
Lent	Parker	Stokes
Levin (MI)	Pastor	Studds
Levine (CA)	Paxon	Stump
Lewis (CA)	Payne (NJ)	Sundquist
Lewis (FL)	Payne (VA)	Sweet
Lewis (GA)	Pease	Swift
Lightfoot	Pelosi	Synar
Lipinski	Peterson (FL)	Tauzin
Livingston	Peterson (MN)	Taylor (NC)
Lloyd	Pickett	Thomas (CA)
Lowery (CA)	Pickle	Thomas (GA)
Lowey (NY)	Porter	Thomas (WY)
Luken	Price	Thornton
Machtley	Pursell	Torres
Manton	Quillen	Torricelli
Markey	Rangel	Towns
Marlenee	Ravenel	Unsoeld
Martin	Regula	Upton
Mavroules	Rhodes	Vander Jagt
McCloskey	Richardson	Vento
McCollum	Ridge	Vucanovich
McCrery	Riggs	Walker
McCurdy	Rinaldo	Washington
McDade	Ritter	Waters
McDermott	Roberts	Waxman
McEwen	Roe	Weber
McGrath	Rohrabacher	Weiss
McMillan (NC)	Ros-Lehtinen	Weldon
McMillan (MD)	Rose	Whitton
McNulty	Rostenkowski	Wilson
Meyers	Roukema	Wise
Mfume	Rowland	Wolf
Michel	Royal	Wolpe
Miller (CA)	Russo	Wyden
Miller (OH)	Sabo	Wylie
Miller (WA)	Sangmeister	Yates
Mineta	Santorum	Yatron
Mink	Sarpalius	Young (AK)
Moakley	Savage	Young (FL)
Mollinari	Sawyer	Zimmer

NOT VOTING—23

Ackerman	Erdreich	Scheuer
Anthony	Gekas	Schroeder
Baker	Hefner	Skelton
Bevill	Huckaby	Tallon
Boniior	Jones (GA)	Taylor (MS)
Boxer	Matsui	Traxler
Bustamante	Mollohan	Williams
Dymally	Perkins	

□ 1948

Messrs. VENTO, DIXON, and FOGLETTA changed their vote from "aye" to "no."

Messrs. WHEAT, DONNELLY, VALENTINE, ROGERS, FRANKS of Connecticut, and RAHALL changed their vote from "no" to "aye."

So the amendment was rejected. The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. SMITH OF TEXAS
Mr. SMITH of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Texas: Page 84, after line 12, insert the following new section:

SEC. 732. The amounts otherwise provided in this Act for the following accounts and activities are hereby reduced by the following amounts:

AGRICULTURAL PROGRAMS
PRODUCTION, PROCESSING, AND MARKETING
OFFICE OF THE SECRETARY
 Expenses, \$52,060.
OFFICE OF THE DEPUTY SECRETARY
 Expenses, \$11,570.
OFFICE OF BUDGET AND PROGRAM ANALYSIS
 Expenses, \$67,352.
OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION
 Expenses, \$8,470.
ADVISORY COMMITTEES (USDA)
 Expenses, \$19,040.
HAZARDOUS WASTE MANAGEMENT
 Expenses, \$320,000.
DEPARTMENTAL ADMINISTRATION
 Expenses, \$342,030.
OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS
 Expenses, \$22,420.
OFFICE OF PUBLIC AFFAIRS
 Expenses, \$208,050.
OFFICE OF THE INSPECTOR GENERAL
 Expenses, \$1,101,800.
OFFICE OF THE GENERAL COUNSEL
 Expenses, \$194,302.
OFFICE OF THE ASSISTANT SECRETARY FOR ECONOMICS
 Expenses, \$14,770.
ECONOMIC RESEARCH SERVICE
 Expenses, \$1,174,400.
NATIONAL AGRICULTURAL STATISTICS SERVICE
 Expenses, \$1,618,820.
WORLD AGRICULTURAL OUTLOOK BOARD
 Expenses, \$40,265.
OFFICE OF THE ASSISTANT SECRETARY FOR SCIENCE AND EDUCATION
 Salaries and expenses, \$11,670.
ALTERNATIVE AGRICULTURAL RESEARCH AND COMMERCIALIZATION
 Expenses, \$7,644.
AGRICULTURAL RESEARCH SERVICE
 Expenses, \$3,167,580.
COOPERATIVE STATE RESEARCH SERVICE
 Payments, \$826,710.
EXTENSION SERVICE
 Payments, \$419,190.
NATIONAL AGRICULTURAL LIBRARY
 Expenses, \$345,000.
OFFICE OF THE ASSISTANCE SECRETARY FOR MARKETING AND INSPECTION SERVICES
 Salaries and expenses, \$10,950.
ANIMAL AND PLANT HEALTH INSPECTION SERVICE
 Salaries and expenses, \$8,618,780.
FEDERAL GRAIN INSPECTION SERVICE
 Salaries and expenses, \$339,750.
AGRICULTURAL COOPERATIVE SERVICE
 Expenses, \$160,420.
AGRICULTURAL MARKETING SERVICE
MARKETING SERVICES
 Expenses, \$1,130,400.
PACKERS AND STOCKYARDS ADMINISTRATION
 Expenses, \$237,500.

CONSERVATION PROGRAMS
OFFICE OF THE ASSISTANT SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT
 Salaries and expenses, \$15,080.

SOIL CONSERVATION SERVICE
CONSERVATION OPERATIONS
 Expenses, \$9,438,765.
RIVER BASIN SURVEYS AND INVESTIGATIONS
 Expenses, \$3286,023.

WATERSHED PLANNING
 Expenses, \$143,011.
WATERSHED AND FLOOD PREVENTION OPERATIONS
 Expenses, \$3,432,218.

RESOURCE CONSERVATION AND DEVELOPMENT
 Expenses, \$572,046.
GREAT PLAINS CONSERVATION PROGRAM
 Expenses, \$429,034.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE
AGRICULTURAL CONSERVATION PROGRAM
 Expenses, \$3,888,700.

FARMERS HOME AND RURAL DEVELOPMENT PROGRAMS
OFFICE OF THE UNDER SECRETARY FOR SMALL COMMUNITY AND RURAL DEVELOPMENT
 Salaries and expenses, \$7,130.

FARMERS HOME ADMINISTRATION
RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT
 Administrative expenses, \$6,410,632.

RURAL ELECTRIFICATION ADMINISTRATION
 Salaries and expenses, \$755,900.

DOMESTIC FOOD PROGRAMS
OFFICE OF THE ASSISTANT SECRETARY FOR FOOD AND CONSUMER SERVICES
 Salaries and expenses, \$12,290.

FOREIGN ASSISTANCE AND RELATED PROGRAMS
FOREIGN AGRICULTURAL SERVICE
 Expenses, \$2,200,460.

OFFICE OF INTERNATIONAL COOPERATION AND DEVELOPMENT
 Expenses, \$295,435.

RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION
 Salaries and expenses, \$14,882,770.

INDEPENDENT AGENCIES
COMMODITY FUTURES TRADING COMMISSION
 Expenses, \$946,000.

FARM CREDIT ADMINISTRATION
 Administrative expenses, \$773,720.

□ 1950

Mr. SMITH of Texas (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SMITH of Texas. Mr. Chairman, by supporting this amendment, Members will challenge Federal managers to find an additional 10 percent savings in their overhead spending only.

This amendment will make agencies more effective in delivering services

and benefits. The only program impact will be to make programs more efficient. My amendment does not ask one agency what it is not willing to ask of another. Each is to reduce their total overhead by 10 percent over the next 12 months. The decision as to how is left to Federal managers.

By setting goals to reduce Government overhead, Members are taking direct action to bring the cost of Government under control. In offering amendments to this and other appropriation bills, I intend to provide Members with an opportunity to be a part of the solution. Deficit reduction begins with bringing the overhead cost of Government under control.

My amendment is a modest first step down that path.

Mr. Chairman, this amendment would reduce the bill's total funding by less than one-tenth of 1 percent. The total spending of this appropriation bill is \$59 billion. So what I propose to do is to cut that \$59 billion one-tenth of 1 percent. All of those cuts will come entirely out of the overhead spending items, such as travel and supplies.

The largest reduction any given agency would absorb is 2 percent. Each reduction is based on each agency's own overhead. In business it is a rule of thumb that overhead can always be cut by 10 percent. Across America families and businesses have been meeting the challenge to control their costs in recent years. Americans understand what it means to act to control spending. It is the common-sense, practical kind of a step that they have already taken.

On behalf of the citizens, Congress should now take the same step. This is an amendment all Members should support. It picks no favorites, it applies to every agency, and it should be governmentwide policy.

Most importantly, Members should know that this amendment does not cut programs. I am not talking about programs or people or salaries. This is strictly cutting overhead Government spending. It does cut overhead costs such as travel and supplies.

Mr. Chairman, the question may be raised: Has the committee already cut this budget to the bone? To Members who may have such concerns, may I suggest that Federal managers, independent observers, many Members in this Chamber who are in daily communication with Federal agencies, and the vast majority of the American people would seriously question whether the bill before the House has yet reached bone.

Agencies affected by this bill will spend well over \$7.6 billion, that is \$7.6 billion, on travel, transportation and things, utilities, communications, rent, other services and supplies and materials in fiscal year 1993. It simply defies common sense to believe that Federal managers, when challenged by the Members in this body, will not be able

to find one-tenth of 1 percent in overhead savings, or \$74 million, in this agricultural appropriations bill. I would encourage the Members to support this amendment.

Mr. PENNY. Mr. Chairman, I rise in support of the amendment of the gentleman.

I want to indicate my support for the amendment offered by the gentleman from Texas, and if the gentleman would respond, I would ask that he engage in a colloquy with a few questions.

Mr. SMITH of Texas. I would be happy to, and I appreciate the support of the gentleman for this amendment.

Mr. PENNY. First of all, I want to clarify the amount that would be cut by this amendment. Did the gentleman indicate that the total amount is less than one-tenth of 1 percent of all the money appropriated in this bill?

Mr. SMITH of Texas. The gentleman is correct. Of the \$59 billion that this agricultural appropriation bill represents, we are talking about cutting \$74 million, or one-tenth of 1 percent, all of it from overhead spending and nothing from people or programs.

Mr. PENNY. I thank the gentleman for his response.

I would further ask the gentleman to clarify the accounts that are affected by this amendment. As I read his amendment, he identified several administrative accounts within the Department of Agriculture, and his reductions are focused strictly in that category of overhead expenses.

Mr. SMITH of Texas. The gentleman is correct. We are talking about object classifications 21 through 26, overhead spending. Again, I appreciate the gentleman's support.

Mr. PENNY. Finally, could the gentleman share with me and with the membership the degree to which each account is cut? Let me rephrase that: What is the range or what is the greatest percent cut in any one of these administrative categories?

Mr. SMITH of Texas. Within each of these accounts, we are talking about a total cumulative cut of 10 percent. In other words, the Federal managers do not necessarily have to cut travel 10 percent or supplies 10 percent. We are talking about the cumulative total of the overhead spending and saying to the managers cut 10 percent of the whole, "You can take it where it best suits your needs."

Mr. PENNY. And they can apply that cut as they wish?

Mr. SMITH of Texas. That is correct.

Mr. PENNY. Within that budget, which is devoted to supplies, to travel, to other administrative overhead expenses?

Mr. SMITH of Texas. My friend from Minnesota [Mr. PENNY] is correct.

Mr. PENNY. I think the gentleman's amendment is well crafted. It certainly is an amount of reduction in this area

that can be managed within the department. I think we ought to challenge the administration to tighten its belt in this area.

Mr. Chairman, I would remind the Members of the House that just a couple of weeks ago we basically applied a little belt-tightening to the legislative budget, and this amendment makes a comparable request of administrative agencies.

Mr. Chairman, I would urge adoption of the amendment.

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

I would strongly urge Members to reject this amendment.

Mr. Chairman, the gentleman suggests that this is a cut of one-tenth of 1 percent of the bill. But he evidently calculates that number based upon the total amount in the bill, which is \$59 billion.

The gentleman calculates his cut on the basis of the total amount; however, \$47 billion of that is mandatory spending, which cannot be affected by this or any other cutting amendment.

Therefore, the balance of \$12 billion is the discretionary amount which would be subject to any cut of this kind.

Moreover, the gentleman, I think, assumes when he calculates his 10 percent cut agency by agency that we are using the President's budget request. The fact is we have reduced the President's budget request by \$1.4 billion. And in doing so, we have limited severely the salaries and expenses of the various agencies we are funding.

In fact, in virtually all agencies, with the exception of three, we have limited salaries and expenses to the current spending level or less, which means that these agencies have to absorb their pay costs within the funds provided.

The Committee amounts in the bill will inevitably result in agencies cutting back on equipment purchases, a subject we discussed earlier on the issue of computers. The fact is that this amendment, while well-intentioned, I am sure, will have a very significant and serious effect upon a variety of agencies that are very important to this country.

□ 2000

For example, the Food and Drug Administration, to which Congress has been giving additional responsibilities. The Food and Drug Administration is under enormous pressure in terms of protecting public health and safety and in the review of drug applications. The agency is under some criticism for the delays which already exist in handling these applications. The FDA is under enormous strain, and its personnel needs are intensive. Personnel costs are most of the expenses in this bill, most of the appropriation. We, with great difficulty, increased salaries and

expenses for FDA by about \$18 million in recognition of this problem. It is one of only three agencies where there was an increase over current-year spending for salaries and expenses. The gentleman's amendment would cut about \$15 million of the \$18 million we provided for FDA. That would have a substantial effect, not only upon the agency, but on the protection which FDA provides to the public in terms of health and safety.

Mr. Chairman, I think it is important for the Members to understand the real-life implication of this kind of an amendment in terms of personnel.

Mr. SMITH of Texas. Mr. Chairman, will the gentleman yield?

Mr. MCHUGH. I yield to the gentleman from Texas.

Mr. SMITH of Texas. Mr. Chairman, I want to respond to the gentleman from New York, my friend, and make a couple of points. I would like to respond to my friend from New York's first point in regard to the amount of cuts that have already been made.

I certainly appreciate the valiant effort that the gentleman from New York [Mr. MCHUGH] has made to make those cuts in the appropriation bill. In fact, most of the cuts have taken the bill to the 1992 levels, or even below, but most of the cuts that were referred to earlier were in foreign program areas. As far as the overhead spending goes, those levels remain about even with 1992, and of course the point of my amendment is to cut those overhead spending costs.

In addition to that, it is undeniable, Mr. Chairman, that in this bill there are \$7.6 billion in overhead costs. It is only those costs that I am targeting by this amendment. I am not cutting programs, I am not cutting salaries, I am not cutting people. I am cutting such items as travel and supplies, and that \$7.6 billion in this bill represents that overhead spending.

So, what I propose to do is to cut \$74 million, or 10 percent of that \$7.6 billion, in overhead spending, which amounts, again, to about one-tenth of 1 percent of the total \$59 billion in this bill.

Mr. MCHUGH. Mr. Chairman, I reclaim my time and yield to the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. Mr. Chairman, I appreciate the gentleman from New York [Mr. MCHUGH] yielding to me.

Mr. Chairman, I rise to support the proposal, the initiative, of the gentleman from Texas [Mr. SMITH].

The CHAIRMAN. The time of the gentleman from New York [Mr. MCHUGH] has expired.

(By unanimous consent, Mr. MCHUGH was allowed to proceed for 3 additional minutes.)

Mr. DORGAN of North Dakota. Mr. Chairman, the gentleman from Texas

[Mr. SMITH] has done a fair amount of work on the issue of overhead spending and indirect costs. He is right. It goes to Congress, it goes to the executive branch, it goes to the government to say that, "If you can't cut some overhead, you can't cut anywhere."

Mr. Chairman, businesses that are in trouble, the first thing they look at is cutting indirect costs. For decades we say, "The way we fund government is we take what you spent last year, add to it inflation, and that's your new baseline." The gentleman from Texas [Mr. SMITH] is simply saying that we ought to be able to cut overhead expenditures, and I agree with him.

Let me just mention one item that was in a recent newspaper from USDA, one of the elements that USDA has in every office in every county in this country. The richest county in America in Connecticut has an office of ASCS designed to administer the farm program, but they had no farmers. Nobody signed up for the farm program. In fact, they had only six dairy producers in the entire county. But they found a way to give a grant to help haul manure from polo ponies because in that county they had more polo ponies than they had farmers.

As my colleagues know, the fact is there is plenty of waste, there is plenty of indirect costs that ought to be cut, and I commend the gentleman from Texas [Mr. SMITH] for his initiative. I think we ought to continue to exercise this in a number of appropriations bills.

Mr. MCHUGH. Mr. Chairman, reclaiming my time, I would like to make a point in conclusion.

There has been some mention that the gentleman from Texas [Mr. SMITH] has spent time on this amendment, and I appreciate that, but this committee has spent months on this bill. The fact is that, no matter what we cut in terms of these agencies, it is never enough for some Members. They want to come to the floor and cut further to demonstrate their own concern about frugality.

Mr. Chairman, I understand that, but I think it is important for the Members to understand, as well, what the implications are. For the Food and Drug Administration, for example, the effect of the amendment of the gentleman would be to freeze all hiring, would be to cut overtime for all but field product emergencies, and, finally, we are advised by the agency that they would have to cut 12 days of pay, or furlough all employees about 3 hours a pay period, throughout the year. The Soil Conservation Service would have to cut about 300 staff-years if this amendment passes.

Now we have tried very hard to restrain this budget. We have cut the President's budget by \$1.4 billion. It has had an impact on salaries and expenses. If the agencies like FDA and

the Soil Conservation Service are going to do the job we have given them, we can simply not cut deeper into the personnel that we expect to do that job.

So, Mr. Chairman, I would hope that the Members would reject the amendment of the gentleman from Texas [Mr. SMITH].

Mr. SMITH of Texas. Mr. Chairman, will the gentleman yield?

Mr. MCHUGH. I yield to the gentleman from Texas.

Mr. SMITH of Texas. Mr. Chairman, I would like to follow up on the point made by my colleague, the gentleman from North Dakota [Mr. DORGAN], and I very much appreciate his support, and that is particularly the Government overhead spending has never ever been scrutinized. It has not been separated out, nor balanced, in our budget book. It has never been looked at specifically, as I intend to do this year, and Government overhead spending has now swollen to the point where it is \$320 billion in the Federal budget.

Mr. DREIER of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Texas [Mr. SMITH]. As I look through this amendment, I am inclined to vote in favor of it, especially in light of the fact that the gentleman from Texas has taken a great deal of time to carefully scrutinize this. When I look at a couple of the items in here; for example, alternative agricultural research and commercialization, he proposes to cut \$7,644, and I know that there are a litany of other places in which he wants to make cuts, but it seems to me, if he has been that careful in looking at what cuts can be made in particular areas to get it down to the dollar like that, I congratulate him for his fine work, and I urge support.

Mr. SMITH of Texas. Mr. Chairman, will the gentleman yield?

Mr. DREIER of California. I yield to the gentleman from Texas.

Mr. SMITH of Texas. Mr. Chairman, I thank the gentleman from California [Mr. DREIER] for yielding and appreciate his support as well.

Mr. Chairman, what I want to do is make a couple of points before we wrap up the debate on this amendment. The first one I started to make a while ago, and that is it is not widely known that in the Federal budget today there is \$320 billion in Government overhead spending. That has not been ever scrutinized individually before. There is no line item of Government overhead spending in our budget.

But what we need to do, Mr. Chairman, is to realize that over the last 20 years this Government overhead spending has now swollen to \$320 billion, has increased at almost twice the inflation rate, and it is high time that we scrutinize that Government overhead spending and target it in this amendment.

Finally, Mr. Chairman, there is another point that I want to make, and that is that I appreciate the acting chairman, the gentleman from New York [Mr. MCHUGH], saying a while ago that the appropriation subcommittee has spent months looking at the appropriation bill, cutting in many instances, but again I want to repeat that most of those cuts have come in four program areas, not in the overhead area that I intend to target with this amendment. This amendment, again, is limited to Government overhead spending, such as travel and supplies. It amounts to one-tenth of 1 percent of a \$59 billion Agriculture appropriation budget.

Mr. Chairman, I do not think it is asking too much for Members of Congress to support an amendment that scrutinizes that Government overhead spending really for the first time and targets it to the point of cutting only one-tenth of 1 percent of the overall \$59 billion, again all from Government overhead spending.

Mr. DREIER of California. Mr. Chairman, I thank the gentleman from Texas [Mr. SMITH], my friend, for his contribution.

I would just say, as I look at \$22,420 cut from the Office of the Assistant Secretary for Congressional Relations, that might be a good place for us to make some minor cuts.

I thank my friend for his offering this amendment and urge support of it.

Mr. DURBIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I know it is late. I know the Members are weary. But I hope they will pause for a moment before they consider this amendment and consider one very important aspect of it.

The gentleman from Texas [Mr. SMITH] is offering an amendment which is very similar to other amendments which have been offered on appropriations bills to cut overhead expenses. I have joined in voting for those amendments. But I would urge the gentleman to reconsider one particular aspect of his amendment.

□ 2010

The gentleman seeks to cut about \$15 million from the Food and Drug Administration. I would say to the gentleman that you cannot make those cuts without cutting personnel. It is a simple fact of life.

We Members of the House of Representatives over the last 3 years have passed 13 separate pieces of legislation giving new responsibilities to the Food and Drug Administration. We wait expectantly day in and day out to hear a word from this agency which is seeking to approve drugs to cure diseases.

Mr. Speaker, let me give Members an idea of the scope of activities at the Food and Drug Administration. Think

for a moment if you will. Let me read a very brief list of what the Food and Drug Administration is working on. This will be affected by the amendment of the gentleman from Texas [Mr. SMITH]: drug approvals for AIDS; AIDS activities; AZT; blood safety; drug approval process; an insulin pill, and therapies for cancer and AIDS.

Mr. Chairman, I can state that I have taken it on myself to visit these FDA facilities, regional offices around the country. They are short-staffed at the moment. They cannot meet the current demands to review the food and medical devices and even to approve the drugs that we want to bring to the market quickly to save lives.

What the cut of the gentleman from Texas [Mr. SMITH] will do is to reduce the personnel at the Food and Drug Administration responsible for dealing with these life and death activities.

Mr. Chairman, we made an exception in our committee for the Food and Drug Administration. I will sit here and concede that point. We said this is a special agency. It needs the resources to do the important work that is set out for it to do.

What the gentleman's amendment does by cutting \$15 million is to reduce, and I am not sure how much, but at least to reduce to some extent the likelihood that we will find cures for diseases, the likelihood that we will develop medical devices that will save lives.

How much will it save this country to take this \$15 million away from the Food and Drug Administration and to penalize those opportunities?

Mr. SMITH of Texas. Mr. Chairman, will the gentleman yield?

Mr. DURBIN. I yield to the gentleman from Texas.

Mr. SMITH of Texas. Mr. Chairman, I thank the gentleman for the point he has made. Let me repeat once again with overhead spending, I am not talking about the salaries, I am not talking about the programs the gentleman read, although I understand the point he made.

Mr. DURBIN. Mr. Chairman, reclaiming my time, I would say to the gentleman from Texas [Mr. SMITH], if he would read his amendment on page 6, lines 5 and 6, Food and Drug Administration, salaries and expenses, \$14,882,770.

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

Mr. DURBIN. I yield to the gentleman from California.

Mr. FAZIO. Mr. Chairman, I appreciate the comments of the gentleman from Illinois [Mr. DURBIN]. There is no question this is a very responsible bill as it currently stands. Every agency in this department in its administrative costs is at last year's level or below, with the exception of FDA, which is being brought down in this amendment.

As the gentleman knows, the average increase per employee is 5.7 percent a year to keep up with the cost of benefits and the COLA and other things that other Federal employees deserve. So just to compensate for that, when you freeze these amounts, you are having cuts made.

Mr. Chairman, I think the gentleman's amendment therefore is not appropriate on this bill and I congratulate the gentleman from Illinois [Mr. DURBIN] on his comments.

Mr. SMITH of Texas. Mr. Chairman, if the gentleman will yield one more time, I would like to ask quite frankly, since there is one item that has been a point of contention with many Members who have spoken on the amendment, if I ask unanimous consent to modify the amendment and strike lines 5 and 6 on page 6 regarding the FDA, if that would make the amendment more acceptable to the gentleman from Illinois [Mr. DURBIN]?

Mr. DURBIN. Mr. Chairman, reclaiming my time, I would find the amendment more acceptable.

Mr. SMITH of Texas. Mr. Chairman, I ask unanimous consent to modify the amendment by striking lines 5 and 6 on page 6 of the amendment.

The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

The text of the amendment is as follows:

Modification to the amendment offered by Mr. SMITH of Texas: Page 6, strike out lines 5 and 6.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The amendment is modified. The question is on the amendment, as modified, offered by the gentleman from Texas [Mr. SMITH].

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

RECORDED VOTE

Mr. SMITH of Texas. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 214, noes 191, not voting 29, as follows:

[Roll No. 248]

AYES—214

Allard	Bliley	Condit
Allen	Boehert	Cooper
Anderson	Boehner	Cox (CA)
Andrews (NJ)	Borski	Cox (IL)
Andrews (TX)	Broomfield	Crane
Applegate	Bruce	Cunningham
Archer	Bunning	Dannemeyer
Armey	Burton	Davis
Aspin	Byron	DeLauro
Atkins	Callahan	DeLay
Bacchus	Camp	Dickinson
Baker	Campbell (CA)	Donnelly
Ballenger	Campbell (CO)	Doolittle
Barton	Carper	Dorgan (ND)
Bennett	Chandler	Dornan (CA)
Bilbray	Clement	Driener
Bilirakis	Coble	Duncan

Edwards (OK)	Lipinski	Ritter
Engel	Long	Roberts
Erdreich	Lowey (NY)	Roemer
Fawell	Luken	Rohrabacher
Fields	Machtley	Ros-Lehtinen
Fish	Manton	Roth
Ford (TN)	Markey	Roukema
Frank (MA)	Martin	Sanders
Franks (CT)	Mazzoli	Santorum
Galleghy	McCandless	Saxton
Gaydos	McCollum	Schaefer
Geren	McCrery	Schiff
Gillmor	McCurdy	Schroeder
Gingrich	McEwen	Schulze
Glickman	McGrath	Sensenbrenner
Goss	McMillan (NC)	Sharp
Gradison	McMillen (MD)	Shaw
Grandy	Meyers	Shays
Guarini	Mfume	Shuster
Hall (TX)	Miller (CA)	Sikorski
Hancock	Miller (OH)	Siskiy
Hansen	Miller (WA)	Slattery
Hefley	Molinari	Slaughter
Henry	Moody	Smith (NJ)
Hobson	Moorhead	Smith (TX)
Holloway	Murphy	Snowe
Hopkins	Neal (MA)	Solomon
Horn	Neal (NC)	Spence
Hughes	Nichols	Spratt
Hunter	Nussle	Stallings
Hutto	Olver	Stearns
Inhofe	Orton	Stenholm
Ireland	Owens (UT)	Studds
Jacobs	Oxley	Stump
James	Packard	Sundquist
Johnson (TX)	Pallone	Swett
Jones (NC)	Panetta	Tanner
Jontz	Patterson	Taylor (NC)
Kanjorski	Paxon	Thomas (CA)
Kasich	Payne (VA)	Trafficant
Kennedy	Penny	Upton
Kleczka	Petri	Valentine
Klug	Pickett	Vander Jagt
Kolbe	Pickle	Vento
Kostmayer	Porter	Volkmer
Kyl	Pursell	Vucanovich
Lagomarsino	Quillen	Walker
Lancaster	Ramstad	Walsh
Lantos	Ravenel	Weldon
LaRocco	Reed	Wyle
Leach	Regula	Young (FL)
Lehman (CA)	Richardson	Zeliff
Lent	Ridge	Zimmer
Lewis (FL)	Riggs	
Lightfoot	Rinaldo	

NOES—191

Abercrombie	Derrick	Hayes (IL)
Alexander	Dicks	Hayes (LA)
Andrews (ME)	Dingell	Herger
Annunzio	Dixon	Hertel
AuCoin	Dooley	Hoagland
Barnard	Downey	Hochbruckner
Barrett	Durbin	Horton
Bateman	Dwyer	Houghton
Bellenson	Early	Hoyer
Bentley	Eckart	Hubbard
Bereuter	Edwards (CA)	Hyde
Berman	Edwards (TX)	Jefferson
Blackwell	Emerson	Jenkins
Boucher	English	Johnson (CT)
Brewster	Espy	Johnson (SD)
Brooks	Evans	Johnston
Browder	Ewing	Kaptur
Brown	Fazio	Kennelly
Bryant	Flake	Kildee
Cardin	Foglietta	Kopetski
Carr	Frost	LaFalce
Chapman	Gallo	Laughlin
Clay	Gejdenson	Levin (MI)
Clinger	Gephardt	Levine (CA)
Coleman (MO)	Gibbons	Lewis (CA)
Coleman (TX)	Gilchrest	Lewis (GA)
Collins (IL)	Gilman	Lloyd
Collins (MI)	Gonzalez	Lowery (CA)
Combest	Goodling	Marlenee
Conyers	Gordon	Martinez
Costello	Green	Mavroules
Coughlin	Gunderson	McCloskey
Coyne	Hall (OH)	McDade
Cramer	Hamilton	McDermott
Darden	Hammerschmidt	McHugh
de la Garza	Harris	McNulty
DeFazio	Hastert	Michel
Dellums	Hatcher	Mineta

Mink	Rahall	Swift
Moakley	Rangel	Synar
Mollohan	Ray	Tauzin
Montgomery	Rhodes	Taylor (MS)
Morella	Rogers	Thomas (WY)
Morrison	Rose	Thornton
Mrázek	Rostenkowski	Torres
Murtha	Rowland	Torricelli
Myers	Roybal	Towns
Nagle	Russo	Unsoeld
Natcher	Sabo	Visclosky
Nowak	Sangmeister	Washington
Oakar	Sarpalius	Waters
Oberstar	Savage	Waxman
Obey	Sawyer	Weber
Ortiz	Schumer	Weiss
Owens (NY)	Serrano	Whitten
Parker	Skaggs	Wilson
Pastor	Skeen	Wise
Payne (NJ)	Skelton	Wolf
Pease	Smith (FL)	Wolpe
Pelosi	Smith (IA)	Wyden
Peterson (FL)	Smith (OR)	Yates
Peterson (MN)	Smolarz	Yatron
Poshard	Staggers	Young (AK)
Price	Stokes	

NOT VOTING—29

Ackerman	Gekas	Perkins
Anthony	Hefner	Roe
Bevill	Huckaby	Scheuer
Bonior	Jones (GA)	Stark
Boxer	Kolter	Tallon
Bustamante	Lehman (FL)	Thomas (GA)
Dymally	Livingston	Traxler
Fascell	Matsui	Wheat
Feighan	Moran	Williams
Ford (MI)	Olin	

□ 2034

Messrs. THOMAS of Wyoming, DOOLEY, and GORDON changed their vote from "aye" to "no."

Mr. KOSTMAYER and Mr. RICHARDSON changed their vote from "no" to "aye."

So the amendment, as modified, was agreed to.

The CHAIRMAN. Are there further amendments?

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

Mr. Chairman, the gentleman from Michigan [Mr. UPTON] and I had intended to offer an amendment which could be called the Silvio Conte memorial amendment, which would have eliminated the honey support program. This is a sweet little program, as the Members know, that has been endorsed by the GAO, the OMB, and most recently by Bill Clinton, who moved up from third place to first place in the national polls as a result.

However, we have reached an agreement with the leadership of the authorizing committee on this matter, and to describe that amendment I will yield to the gentleman from Michigan [Mr. UPTON].

Mr. UPTON. Will the gentleman yield?

Mr. ZIMMER. I am happy to yield to the gentleman.

Mr. UPTON. Mr. Chairman, I thank the gentleman for yielding, and I thank the gentleman from New Jersey [Mr. ZIMMER] for his long and hard work. However, knowing that the hour is late and knowing that we have droned on and on and on with regard to this bill, I would simply ask that we might engage in a brief colloquy with the gentleman from Texas [Mr. STENHOLM] with regard to our ideas.

As I view it, I think that the consumer has been stung pretty hard by this program.

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

Mr. ZIMMER. I yield to the gentleman from Texas.

Mr. STENHOLM. Mr. Chairman, I appreciate the gentleman yielding to me.

Mr. Chairman, I appreciate very much my colleague's not offering the amendment tonight and recognizing that as a result of the 1990 farm bill, as we dealt with the honey program, yes, at the urging of our deceased colleague, Mr. Conte, we have brought the cost of the honey program from \$100 million a year down to \$6 million a year, and I appreciate that the Members do not at this point in time attempt to change that part of the farm program.

I will assure the Member as chairman of the Subcommittee on Livestock, Dairy, Poultry, and Honey that we will be watching the bottomline of this program very carefully over the coming year.

Mr. UPTON. Mr. Chairman, I thank the gentleman for his accommodation.

□ 2040

Mr. SKELTON. Mr. Chairman, I rise in strong support of H.R. 5487 and I commend the distinguished chairman of the full committee and the distinguished chairman of the subcommittee for their work on this bill.

Mr. Chairman, I rise in strong support of H.R. 5487. I commend the distinguished chairman of the subcommittee and full committee, for crafting a bill that meets the needs of rural America while considering our current budget constraints.

As chairman of the Small Business Subcommittee on Rural Development, and former chairman of the congressional rural caucus, I am pleased to see the continued support for rural America in this legislation. Cooperative extension, the Rural Electrification Administration, the Soil Conservation Service, and farm programs funded by this bill contribute to the quality of life for not only farmers but the entire rural community.

While this bill is titled "Rural Development and Agriculture Appropriations," the work of America's farmers benefits our cities as well. Programs funded by this bill contribute to ensuring an adequate supply of food at stable prices. Nutrition programs in this bill, such as the Emergency Food Assistance Program and the supplemental Food Program for Women, Infants, and Children, provide nutritional needs to millions of our citizens in both rural and urban areas.

I strongly urge my colleagues to support this bill.

Mr. McMILLEN of Maryland. Mr. Chairman, I rise in support of Representative SMITH's amendment to cut overhead spending for the agencies funded under H.R. 5487, excluding the Food and Drug Administration. This amendment is a strong step in the right direction to end wasteful Federal spending.

The Federal Government must take a hard look at spending priorities. Businesses, in dif-

icult economic times, must cut costs to survive. The most logical places for these cuts to be made are in the areas which are least crucial to a business's profitability. Mr. Speaker, the Federal deficit demands that we take a hard look around and make the same difficult decisions. This amendment, by forcing Federal Managers to cut around 10 percent of the \$7.6 billion they are appropriated for overhead, is a logical method of balancing the books.

Mr. HALL of Ohio. Mr. Chairman, if we all had our druthers, the bill before us today would probably take on a new face. We wouldn't be forced to choose between cuts in our environmental and conservation programs to enhance our research and development activities. We wouldn't be pressed to jeopardize the effectiveness of programs we know to be successful by cutting them back. And, we would have the opportunity to expand the critical nutrition services that we know to have a positive impact on the lives of vulnerable Americans. But, times being what they are, this is the situation we find ourselves in.

That being the case, I would like to take this opportunity to commend the members of the Appropriations Committee for their crafting of H.R. 5487, the Agriculture, Rural Development, Food and Drug Administration, and related agencies appropriations bill for fiscal year 1993. Given the enormous pressures of prevailing budgetary constraints, I believe that they have brought to us a balanced bill that, while not as far-reaching as many of us would like to have seen, nevertheless continues to demonstrate a balanced commitment.

With particular emphasis on our infrastructure of domestic food assistance programs, while I would like to have seen a full \$3.1 billion in funding for WIC, the \$2.86 billion provided in the bill does enable us to realize a modest caseload expansion. With the Emergency Food Assistance Program, we didn't get an increase for emergency food distribution services, but didn't suffer a cut either.

I would submit to my colleagues that these actions should not set the standards and priorities for our future considerations. We have to tighten our belts right now, but serious human needs dictate that we sustain our commitment to these programs which assure critical food assistance for those at risk.

Mr. ROGERS. Mr. Chairman, I am extremely disappointed that my colleagues voted to accept the amendment offered by the gentleman from Utah on the Agriculture and Related Agencies Appropriations Act for fiscal year 1993 to prohibit my tobacco growers from using the Market Promotion Program. I am appalled that my colleagues would unfairly single out this legal commodity from this important program.

Mr. Chairman, let me clear up the misunderstanding many of my colleagues have about tobacco and the Market Promotion Program. This is a program to build U.S. exports in areas where the U.S. has suffered from unfair competition in foreign markets.

Proponents of this amendment want you to believe this is a "health issue," but it is not. It is solely a competitiveness issue. No Market Promotion Program funds are used to promote tobacco consumption. Eliminating tobacco from the program will not decrease tobacco sales and consumption. The fact is the United

States grows less than 10 percent of the world's tobacco. This amendment will only undercut United States farmers in international markets and allow our foreign competitors, such as the European Community, which subsidizes tobacco by almost \$1 billion, to grab the international market. Once again, the United States will lose its position in the international market for a critical commodity which contributes almost \$6 billion surplus to our balance of trade.

This amendment will help no one, but it will hurt hundreds of thousands of American farmers and workers, numerous States which depend on this important revenue, and the Nation as a whole which benefits from the trade surplus tobacco generates. The impact on my State would be tremendous—over 160,000 families derive income from tobacco, and tobacco contributes over \$2 billion to Kentucky's economy. My State, and our Nation, cannot afford to lose this important revenue.

My colleagues, American jobs and American competitiveness are at stake, and I am deeply disappointed that my colleagues voted to include this amendment in this bill. However, I will continue my fight to stop the anti-tobacco forces in Congress from taking away money and jobs from my constituents.

Mr. LEHMAN of California. Mr. Chairman, I rise today in support of the Market Promotion Program and to oppose the efforts that are underway to undermine the program's effectiveness.

The MPP program has provided a lot of bang for the buck. An Agriculture Department study found that each dollar of promotional assistance may increase U.S. exports by as much as \$2 to \$7. I think it is ironic that while Congress has been concerned for the need for a more competitive economy, we cut funding for a program that has proven effective against unfair trade advantages in foreign markets.

As we know, the Market Promotion Program provides funding to trade groups to help promote American farm goods overseas. The \$200 million spent annually has benefited a variety of products, including many from California such as walnuts, raisins, citrus, and almonds that do not get the bulk of farm support provided in this country. Matching funds are required, and the promotional campaigns can target generic products or brand names. The latter is often more effective because consumers identify more closely with a brand name product and respond better to this advertising.

It is true that an approved marketing plan can provide direct funding to a corporation. But many of these corporations such as the often-cited Sunkist, represent thousands of small growers. The argument has been made that they can fend for themselves, but who better to take advantage of this program than a company with the ability and resources to capitalize in a foreign market. Even growers not associated with these companies benefit because of the heightened awareness foreign advertising provides—advertising, I might add, that small growers could not afford to fund even with help from the MPP program.

Increasing value-added exports through MPP creates jobs and is an effective trade strategy. Without it, we are unilaterally disarming ourselves of one of our most effective

weapons considered an acceptable trade practice under GATT. MPP provides expanded opportunities through partnerships and collective advertising that could not be duplicated.

I ask my colleagues to recognize the significant value this program offers for a limited investment. Already, funding has been cut to \$75 million. I am hopeful, that full funding can be restored in conference, but, failing that, I ask that no further restrictions be placed on the program. Let's put competitiveness first.

Mrs. LOWEY of New York. Mr. Chairman, I rise in support of the agriculture appropriations bill (H.R. 5487).

This bill funds the proven and very cost-effective women, infants and children [WIC] program that helps low-income women secure needed nutrition during pregnancy and to feed their children and learn essential nutrition skills. And this bill also funds the food stamp program which enables low-income Americans to purchase food to put on their tables.

But these are not the only aspects of this bill that are important to the health of our Nation. In addition, the agriculture subcommittee has agreed to provide funding for research aimed at eradicating Lyme disease, a major public health problem which has been reported in 48 states and has an especially high incidence rate in my district in Westchester County, NY. In fact, Westchester County reported a 36-percent increase in Lyme disease cases in 1991. We absolutely must bolster our efforts to eradicate this disease.

The committee has included \$175,000 in the bill to fund research on deer tick ecology at New York Medical College, where researchers are testing methods to curb the spread of deer tick populations which transmit Lyme disease. The funding supported by the committee, which I would also note has won the support of the administration this year, will allow research on deer tick ecology to continue full speed ahead.

While recent announcements provide hope of eventual development of a Lyme disease vaccine, we still have no way of eliminating the cause of the disease—the infected deer tick—from our backyards and parks. This research is aimed at doing just that.

These funds are supporting ecological studies on the relationship between deer and deer ticks in residential areas like Westchester County. The goal of this work is to develop ecologically-sound methods of reducing tick populations, and, thereby, the risk of Lyme disease in densely populated areas.

USDA scientists are now working closely with New York Medical College researchers, providing technical assistance in planning and implementing their studies. They have developed a strong, positive working relationship which all involved want to see continue.

I thank Chairman WHITTEN and my colleague from New York, MATT MCHUGH, for assisting in this effort which will help lead to controlling the spread of Lyme disease, and I commend the subcommittee for their hard work on this bill. It certainly deserves our full support.

Mr. LEHMAN of California. Mr. Chairman, I rise today in support of the Market Promotion Program and to oppose the efforts that are underway to undermine the program's effectiveness.

The Market Promotion Program has provided a lot of bang for the buck. An Agriculture Department study found that each dollar of promotional assistance may increase United States exports by as much as \$2 to \$7. I think it is ironic that while Congress has been concerned for the need for a more competitive economy, we cut funding for a program that has proven effective against unfair trade advantages in foreign markets.

As we know, the Market Promotion Program provides funding to trade groups to help promote American farm goods overseas. The \$200 million spent annually has benefited a variety of products, including many from California such as walnuts, raisins, citrus, and almonds that do not get the bulk of farm support provided in this country. Matching funds are required, and the promotional campaigns can target generic products or brand names. The latter is often more effective because consumers identify more closely with a brand name product and respond better to this advertising.029

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Increasing value added exports through Market Promotion Program creates jobs and is an effective trade strategy. Without it, we are unilaterally disarming ourselves of one of our most effective weapons considered an acceptable trade practice under GATT. Market Promotion Program provides expanded opportunities through partnerships and collective advertising that could not be duplicated.

I ask my colleagues to recognize the significant value this program offers for a limited investment. Already, funding has been cut to \$75 million. I am hopeful that full funding can be restored in conference, but, failing that, I ask that no further restrictions be placed on the program. Let's put competitiveness first.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

This Act may be cited as the "Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1993".

Mr. MCHUGH. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SPRATT, chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration

the bill (H.R. 5487) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1993, and for other purposes, had directed him to report the bill back to the House with the sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. OWENS of Utah. Mr. Speaker, I demand a separate vote on my amendment, the Owens amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: Page 83, line 16, strike the comma and insert "with respect to tobacco subsidies or".

The SPEAKER. The question is on the amendment.

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

Mr. OWENS of Utah. 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. The Chair will count.

One hundred eighty-eight Members are present, not a quorum.

The Sergeant at Arms will notify absent Members. The vote was taken by electronic device, and there were—yeas 331, nays 82, not voting 21, as follows:

[Roll No. 249]

YEAS—331

Allard	Byron	Dickinson
Anderson	Callahan	Dicks
Andrews (ME)	Campbell (CA)	Dingell
Andrews (NJ)	Campbell (CO)	Dixon
Andrews (TX)	Cardin	Donnelly
Annunzio	Carper	Dooley
Applegate	Carr	Doolittle
Archer	Chandler	Dorgan (ND)
Army	Chapman	Dornan (CA)
Aspin	Clay	Downey
Atkins	Clinger	Dreier
AuCoin	Coleman (TX)	Duncan
Bacchus	Collins (IL)	Durbin
Baker	Collins (MI)	Dwyer
Barnard	Condit	Early
Barrett	Conyers	Eckart
Barton	Cooper	Edwards (CA)
Bellenson	Costello	Edwards (OK)
Bennett	Coughlin	Edwards (TX)
Bereuter	Cox (CA)	Engel
Berman	Cox (IL)	English
Bilbray	Coyne	Erdreich
Billrakis	Crane	Evans
Blackwell	Cunningham	Ewing
Boehlert	Dannemeyer	Fawell
Borski	Darden	Fazio
Boxer	Davis	Feighan
Brooks	de la Garza	Felds
Broomfield	DeFazio	Fish
Bruce	DeLauro	Flake
Bryant	Dellums	Foglietta
Burton	Derrick	Ford (MI)

Ford (TN)	Machtley	Roberts	Lewis (CA)	Ravenel	Tanner
Frank (MA)	Manton	Roemer	McEwen	Rogers	Taylor (NC)
Franks (CT)	Markey	Rohrabacher	McGrath	Rose	Thomas (CA)
Frost	Marlenee	Ros-Lehtinen	McMillan (NC)	Rowland	Thomas (GA)
Gallely	Martin	Rostenkowski	Mollohan	Sarpalius	Thornton
Gaydos	Martinez	Roth	Nagle	Saxton	Valentine
Gejdenson	Mavroules	Roukema	Natcher	Schaefer	Vander Jagt
Gibbons	Mazzoli	Roybal	Neal (NC)	Sisisky	Walker
Gilchrest	McCandless	Russo	Parker	Smith (OR)	Weber
Gilman	McCloskey	Sabo	Pastor	Spence	Whitten
Gingrich	McCollum	Sanders	Payne (VA)	Spratt	Wise
Glickman	McCrery	Sangmeister	Peterson (FL)	Stump	Young (AK)
Gonzalez	McCurdy	Santorum	Price	Sundquist	
Goodling	McDade	Savage	Quillen	Swift	
Gordon	McDermott	Sawyer			
Goss	McHugh	Schiff			
Gradison	McMillen (MD)	Schroeder	Ackerman	Gephardt	Moran
Grandy	McNulty	Schulze	Bevill	Hefner	Perkins
Guarini	Meyers	Schumer	Bonior	Huckaby	Roe
Gunderson	Mfume	Sensenbrenner	Bustamante	Jones (GA)	Scheuer
Hall (OH)	Michel	Serrano	Dymally	Kolter	Tallon
Hancock	Miller (CA)	Sharp	Fascell	Livingston	Traxler
Hansen	Miller (OH)	Shaw	Gekas	Matsui	Williams
Harris	Miller (WA)	Shays			
Hastert	Mineta	Shuster			
Hayes (IL)	Mink	Sikorski			
Hayes (LA)	Moakley	Skaggs			
Hefley	Molinari	Skeen			
Henry	Montgomery	Skelton			
Hertel	Moody	Slattery			
Hoagland	Moorhead	Slaughter			
Hobson	Morella	Smith (FL)			
Hochbrueckner	Morrison	Smith (IA)			
Horn	Mrazek	Smith (NJ)			
Hughes	Murphy	Smith (TX)			
Hunter	Murtha	Snowe			
Hutto	Myers	Solarz			
Hyde	Neal (MA)	Solomon			
Inhofe	Nichols	Staggers			
Ireland	Nowak	Stallings			
Jacobs	Nussle	Stark			
James	Oakar	Stearns			
Jefferson	Oberstar	Stenholm			
Johnson (CT)	Obey	Stokes			
Johnson (SD)	Olin	Studds			
Johnson (TX)	Olver	Sweet			
Johnston	Ortiz	Synar			
Jontz	Orton	Tauzin			
Kanjorski	Owens (NY)	Taylor (MS)			
Kaptur	Owens (UT)	Thomas (WY)			
Kasich	Oxley	Torres			
Kennedy	Packard	Torricelli			
Kennelly	Pallone	Towns			
Kildee	Panetta	Trafficant			
Kleczka	Patterson	Unsoeld			
Klug	Paxon	Upton			
Kolbe	Payne (NJ)	Vento			
Kopetski	Pease	Viscosky			
Kostmayer	Pelosi	Volkmer			
Kyl	Penny	Vucanovich			
LaFalce	Peterson (MN)	Walsh			
Lagomarsino	Petri	Washington			
Lantos	Pickett	Waters			
LaRocco	Pickle	Waxman			
Leach	Porter	Weiss			
Lehman (CA)	Poshard	Weldon			
Lehman (FL)	Pursell	Wheat			
Lent	Rahall	Wilson			
Levin (MI)	Ramstad	Wolf			
Levine (CA)	Rangel	Wolpe			
Lewis (FL)	Ray	Wyden			
Lewis (GA)	Reed	Wylle			
Lightfoot	Regula	Yates			
Lipinski	Rhodes	Yatron			
Lloyd	Richardson	Young (FL)			
Long	Ridge	Zeliff			
Lowery (CA)	Riggs	Zimmer			
Lowe (NY)	Rinaldo				
Luken	Ritter				

NAYS—82

Abercrombie	Camp	Hamilton
Alexander	Clement	Hammerschmidt
Allen	Coble	Hatcher
Anthony	Coleman (MO)	Herger
Balenger	Combest	Holloway
Bateman	Cramer	Hopkins
Bentley	DeLay	Horton
Billy	Emerson	Houghton
Boehner	Espy	Hoyer
Boucher	Gallo	Hubbard
Brewster	Geren	Jenkins
Browder	Gillmor	Jones (NC)
Brown	Green	Lancaster
Bunning	Hall (TX)	Laughlin

NOT VOTING—21

Ackerman	Gephardt	Moran
Bevill	Hefner	Perkins
Bonior	Huckaby	Roe
Bustamante	Jones (GA)	Scheuer
Dymally	Kolter	Tallon
Fascell	Livingston	Traxler
Gekas	Matsui	Williams

□ 2102

Mr. ANTHONY and Mr. COLEMAN of Missouri changed their vote from "yea" to "nay."

Mr. NOWAK and Mr. HASTERT changed their vote from "nay" to "yea."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

□ 2100

The SPEAKER. 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. DELAY
Mr. DELAY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. DELAY. In its present form, I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. DELAY moves to recommit the bill H.R. 5487 to the Committee on Appropriations with instruction to report back the same forthwith with the following amendment:

On page 65, line 8 strike "only to the extent necessary".

The SPEAKER. The gentleman from Texas [Mr. DELAY] is recognized for 5 minutes.

Mr. DELAY. Mr. Speaker, I will not take the 5 minutes, but I must establish a little legislative intent.

The motion to recommit is a straightforward deletion of language in the bill which restricts or limits the amount of \$345 million of funds made available for the Food Stamp Program which are made subject to the regulatory and administrative methods available by the Secretary of Agriculture to curtail fraud, waste, and abuse, in the Food Stamp Program.

By striking the language in the bill as proposed by the motion, which reads: "only to the extent necessary" enhancement of the Secretary's ability to control food stamp fraud, waste, and

abuse, will be assured to apply to the full amount limited in the bill of \$345 million, rather than a lesser amount which will be permitted if the restrictive language remains in the bill.

Mr. MCHUGH. Mr. Speaker, will the gentleman yield?

Mr. DELAY. I am glad to yield to the gentleman from New York.

Mr. MCHUGH. Mr. Speaker, I thank the gentleman for yielding to me.

I would advise the gentleman and the House that we have no objection to the motion on this side.

Mr. SKEEN. Mr. Speaker, will the gentleman yield?

Mr. DELAY. I am glad to yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Speaker, we have no objection on this side to the motion.

Mr. DELAY. Mr. Speaker, I yield back the balance of my time.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was agreed to.

The SPEAKER pro tempore. The Chair recognizes the gentleman from New York [Mr. MCHUGH].

Mr. MCHUGH. Mr. Speaker, pursuant to the instructions of the House on the motion to recommit, I report the bill, H.R. 5487, back to the House with an amendment which is at the Clerk's desk.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment: On page 65, line 8, strike "only to the extent necessary."

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.

The SPEAKER. The question is on the passage of the bill.

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

Mr. DANNEMEYER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 312, nays 99, not voting 23, as follows:

[Roll No. 250]

YEAS—312

Abercrombie	Bachus	Billiey
Alexander	Baker	Boehlert
Anderson	Barnard	Boehner
Andrews (ME)	Barrett	Borski
Andrews (NJ)	Barton	Boucher
Andrews (TX)	Bateman	Boxer
Annunzio	Bentley	Brewster
Anthony	Bereuter	Brooks
Applegate	Berman	Browder
Aspin	Bilbray	Brown
Atkins	Bilirakis	Bruce
AuCoin	Blackwell	Bryant

Bunning	Holloway	Paxon
Byron	Horn	Payne (NJ)
Camp	Horton	Payne (VA)
Campbell (CO)	Houghton	Pease
Cardin	Hoyer	Pelosi
Carper	Hutto	Peterson (FL)
Carr	Jefferson	Peterson (MN)
Chandler	Jenkins	Pickett
Chapman	Johnson (CT)	Pickle
Clay	Johnson (SD)	Poshard
Clement	Johnson (TX)	Price
Clinger	Johnston	Quillen
Coble	Jones (NC)	Rahall
Coleman (MO)	Kanjorski	Rangel
Coleman (TX)	Kaptur	Ravenel
Collins (IL)	Kasich	Ray
Collins (MI)	Kennelly	Reed
Combest	Kildee	Regula
Condit	Kleczka	Richardson
Conyers	Klug	Richardson
Cooper	Kopetski	Riggs
Costello	Kostmayer	Rinaldo
Coughlin	LaFalce	Roe
Cox (IL)	Lancaster	Roemer
Coyne	Lantos	Rogers
Cramer	LaRocco	Rose
Darden	Laughlin	Rostenkowski
Davis	Leach	Rowland
de la Garza	Lehman (CA)	Roybal
DeFazio	Lehman (FL)	Russo
DeLauro	Levin (MI)	Sabo
Dellums	Levine (CA)	Sanders
Derrick	Lewis (CA)	Sangmeister
Dicks	Lewis (GA)	Sarpalius
Dingell	Lightfoot	Savage
Dixon	Lipinski	Sawyer
Dooley	Lloyd	Schiff
Dorgan (ND)	Long	Schumer
Downey	Lowery (CA)	Serrano
Durbin	Lowe (NY)	Sharp
Dwyer	Luken	Shaw
Early	Machtley	Slisisky
Eckart	Manton	Skeem
Edwards (CA)	Markey	Skelton
Edwards (TX)	Marlenee	Slaughter
Emerson	Martin	Smith (FL)
Engel	Martinez	Smith (IA)
English	Mavroules	Smith (NJ)
Erdreich	Mazzoli	Smith (OR)
Espy	McCandless	Smith (TX)
Evans	McCloskey	Solarz
Ewing	McCrery	Spence
Fazio	McCurdy	Spratt
Feighan	McDade	Stallings
Fields	McDermott	Stenholm
Fish	McHugh	Stokes
Flake	McMillan (NC)	Studds
Foglietta	McMillen (MD)	Sundquist
Ford (MI)	McNulty	Swett
Frank (MA)	Mfume	Swift
Franks (CT)	Michel	Synar
Frost	Miller (CA)	Tanner
Gallo	Miller (OH)	Tauzin
Gaydos	Mineta	Taylor (MS)
Gejdenson	Mink	Taylor (NC)
Gephardt	Moakley	Thomas (GA)
Geren	Mollohan	Thornton
Gibbons	Montgomery	Torres
Gilchrest	Moody	Torricelli
Gillmor	Morella	Towns
Gilman	Morrison	Trafficant
Glickman	Mrazek	Unsold
Gonzalez	Murphy	Upton
Goodling	Murtha	Valentine
Gordon	Myers	Vander Jagt
Green	Nagle	Vento
Guarini	Natcher	Visclosky
Gunderson	Neal (MA)	Volkmer
Hall (OH)	Neal (NC)	Vucanovich
Hall (TX)	Nowak	Washington
Hamilton	Oakar	Waters
Hammerschmidt	Oberstar	Waxman
Harris	Obey	Weber
Hastert	Olin	Weiss
Hatcher	Olver	Wheat
Hayes (IL)	Ortiz	Whitten
Hayes (LA)	Owens (NY)	Wilson
Herger	Owens (UT)	Wolpe
Hertel	Panetta	Wyden
Hoagland	Parker	Yates
Hobson	Pastor	Yatron
Hochbrueckner	Patterson	

NAYS—99

Allard	Hopkins	Rhodes
Allen	Hubbard	Ritter
Archer	Hughes	Roberts
Armey	Hunter	Rohrabacher
Ballenger	Hyde	Ros-Lehtinen
Bellensen	Inhofe	Roth
Bennett	Ireland	Roukema
Broomfield	Jacobs	Santorum
Burton	James	Saxton
Callahan	Jontz	Schaefer
Campbell (CA)	Kolbe	Schroeder
Cox (CA)	Kyl	Schulze
Crane	Lagomarsino	Sensenbrenner
Cunningham	Lent	Shays
Dannemeyer	Lewis (FL)	Shuster
DeLay	McCollum	Sikorski
Dickinson	McEwen	Slattery
Donnelly	McGrath	Snowe
Doolittle	Meyers	Solomon
Dornan (CA)	Miller (WA)	Stark
Dreier	Molinari	Stearns
Duncan	Moorhead	Stump
Edwards (OK)	Nichols	Thomas (CA)
Fawell	Nussle	Thomas (WY)
Galleghy	Orton	Walker
Gingrich	Oxley	Walsh
Goss	Packard	Weldon
Gradison	Pallone	Wolf
Grandy	Penny	Wylie
Hancock	Petri	Young (AK)
Hansen	Porter	Young (FL)
Hefley	Pursell	Zeliff
Henry	Ramstad	Zimmer

NOT VOTING—23

Ackerman	Hefner	Perkins
Bevill	Huckaby	Scheuer
Bonior	Jones (GA)	Staggers
Bustamante	Kennedy	Tallon
Dymally	Kolter	Traxler
Fascell	Livingston	Williams
Ford (TN)	Matsui	Wise
Gekas	Moran	

□ 2124

Mr. GOODLING changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. RHODES. Mr. Speaker, during consideration of H.R. 5487, my vote was incorrectly recorded on Rollcall No. 248, the amendment by Representative LAMAR SMITH to reduce the Department of Agriculture administrative budget by 10 percent.

Had my vote been properly recorded on Rollcall No. 248, it would have reflected my intent to support the Smith amendment and my "yes" vote for passage of that amendment.

PROVIDING A 4-MONTH EXTENSION OF TRANSITION RULE FOR SEPARATE CAPITALIZATION OF SAVINGS ASSOCIATIONS' SUBSIDIARIES

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2905) to provide a 4-month extension of the transition rule for separate capitalization of savings association's subsidiaries, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

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

Mr. WYLIE. Mr. Speaker, reserving the right to object, and I do not intend to object, but I reserve the right to object to ask the gentleman from Texas [Mr. GONZALEZ] if he would please explain the legislation.

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Speaker, when the Congress enacted the Financial Institutions Reform, Recovery and Enforcement Act [FIRREA] we required that savings and loan companies separately capitalize their direct real estate investments, so that the insured institution would not bear the risks associated with real estate development. We also recognized that a reasonable time period should be provided in order for these investments to be phased into separately capitalized subsidiaries. FIRREA allowed a 5-year transition, and under the present schedule an additional capital deduction is required effective tomorrow.

There are about 324 institutions with direct real estate investments, worth approximately \$3.2 billion. The capital phasedown scheduled to take effect tomorrow would require 15 percent of that amount to be deducted from the institutions' capital. As a practical matter, this would mean that a number of investments would be sold into an already weak market, with particular adverse effects in California.

The Office of Thrift Supervision believes the existing phaseout schedule is too stringent. The bill provides an extension until November 1. Between now and then the Congress may decide whether to modify the phaseout or leave it in place. The only effect of this bill is to postpone the phaseout until November 1.

Mr. Speaker, I include for the RECORD a letter from Timothy Ryan of the Office of Thrift Supervision in which he is recommending and affirming his desire to obtain this extension.

The letter referred to is as follows:

OFFICE OF THRIFT SUPERVISION,
Washington, DC, June 30, 1992.

Hon. HENRY B. GONZALEZ,
Chairman, Committee on Banking, Finance and Urban Affairs,

U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to urge the House of Representatives to extend the July 1, 1992, FIRREA-imposed deadline that requires thrifts to deduct from their capital 40 percent versus 25 percent of the amount of their investments in real estate subsidiaries to November 1, 1992. The same legislation was passed by the Senate last night.

Freezing the 25 percent deduction requirements for four months will not eliminate the need to revisit this issue. It will, however, provide Congress the necessary time to further address this matter. Thrifts have only one day before they will be subject to the increased capital deduction requirement.

It is important for reasons of safety and soundness that the FIRREA requirement be amended to allow thrifts adequate additional time to divest their real estate subsidiaries

in light of current conditions in the real estate markets.

Sincerely,

TIMOTHY RYAN.

Mr. WYLIE. Mr. Speaker, I thank the gentleman from Texas [Mr. GONZALEZ] for his explanation.

Mr. DREIER of California. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. Further reserving the right to object, Mr. Speaker, I yield to the gentleman from California.

Mr. DREIER of California. Mr. Speaker, I thank the gentleman from Ohio for yielding to me under his reservation, and I simply would like to congratulate my friends, the gentleman from Texas [Mr. GONZALEZ], the gentleman from Ohio [Mr. WYLIE] and the gentleman from California [Mr. FAZIO], and I would like the record to show, Mr. Speaker, that this is simply a 4-month extension, and nothing more than that, and I would like to ask that of both the ranking member and the chairman.

Am I correct?

Mr. WYLIE. Mr. Speaker, the gentleman from California [Mr. DREIER] is correct. It is a simple 4-month extension for this transition rule for separate capitalization of savings association real estate subsidiaries, and the gentleman from Texas [Mr. GONZALEZ] has put in the RECORD the letter from Mr. Tim Ryan, the Director of the Office of Thrift Supervision, and in that letter he says, "If we don't delay this requirement now, 324 thrifts with \$3.2 billion in investments will be affected."

Mr. Speaker, this bill will simply delay the requirement of deducting the reduction from capital requirements investments in real estate for 4 months under the transition rule. It does nothing else.

Mr. DREIER of California. Mr. Speaker, I think that is a very appropriate answer. We are actually going to be benefiting the U.S. taxpayer by moving ahead with this extension.

Mr. WYLIE. I think we are, and I compliment the gentleman for his observation, and I commend the gentleman from California [Mr. DREIER] and the gentleman from California [Mr. FAZIO] who have worked diligently to bring this bill here this evening to see what would otherwise cause a harmful effect, I think, if this application of the transition rule is not extended.

Mr. FAZIO. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from California.

Mr. FAZIO. Mr. Speaker, I simply want to add my voice to the chorus of thanks to the chairman, the gentleman from Texas [Mr. GONZALEZ], and to the gentleman from Ohio [Mr. WYLIE] for bringing this bill to the floor so expeditiously, and I also thank my good friend from Claremont, CA who knows the geography of every Member of the

House, by the way, for this expeditious handling of this on their side of the aisle.

Mr. DREIER of California. Mr. Speaker, I thank the gentleman from Sacramento.

Mr. WYLIE. Mr. Speaker, the gentleman from California [Mr. FAZIO] is right on, and with that I withdraw my reservation of objection.

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

Mr. LAFALCE. Mr. Speaker, reserving the right to object, I will not object because I do favor this measure. However, Mr. Speaker, there are a couple of difficulties we do have.

I wish we could have had some prior notice, but, most of all, the difficulty I have is the rhetoric that we choose to use so selectively when we want to advance a bill such as this. We refer to FIRREA and its implementation of capital standards as having been much, much too stringent.

□ 2130

Those are your words, "much, much too stringent." At other times, though, when we talk about the implementation of certain capital standards for FIRREA, individuals are castigated as attempting to water down the provisions, trying to be weak, being in the pocket of the S&Ls, or some other type of institutions, and I think we should do away with such rhetoric.

I personally have long had difficulties with FIRREA. I opposed it. I thought at the time it was a prescription for financial disaster. I still do.

This is the type of action we should be taking and we should have taken in 1989. It is also the type of action we should be taking on a number of other capital provisions still in FIRREA, still overly stringent, still causing a credit crunch.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2905

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5(t)(5)(D)(ii) of the Home Owners' Loan Act (12 U.S.C. 1464(t)(5)(D)(ii)) is amended—

(1) by striking "June 30, 1992" and inserting "October 31, 1992"; and

(2) by striking "July 1, 1992" and inserting "November 1, 1992".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM

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

Mr. GEPHARDT. Mr. Speaker, I take this time to inform Members of the rest of the schedule for this evening.

We will be taking up a conference report on a price fixing bill. Obviously it could have as much as one hour of debate. There will likely be a vote on that conference report.

There could be other matters after that, but there will be no votes after the vote on the conference report on price fixing.

We will then tomorrow take up the votes that were rolled or put off this evening on any other matters that come up after the conference report, and then we will go on with our regular schedule for the rest of the week.

CONFERENCE REPORT ON S. 429,
CONSUMER PROTECTION
AGAINST PRICE FIXING ACT OF
1991

Mr. BROOKS. Mr. Speaker, I call up the conference report on the Senate bill (S. 429) to amend the Sherman Act regarding retail competition, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of June 22, 1992, at page 15659.)

The SPEAKER pro tempore. The gentleman from Texas [Mr. BROOKS] will be recognized for 30 minutes and the gentleman from New York [Mr. FISH] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, very rarely do economic principle and economic necessity come together so urgently as they do in the conference report accompanying S. 429 now before us—the Consumer Protection Against Price-Fixing Act of 1991.

For decades, this body has stood behind the distinctive American free enterprise system by refusing to tolerate, countenance, or condone any form of price-fixing in the economy. Why? Because price-fixing spells the death of open competition; because it strangles the possibility of having multiple players compete in an open and free-moving economy; and because it works a fundamental disadvantage to the ultimate consumer—the American public.

Since 1890, when the Sherman Antitrust Act was passed, we in this body, and in this branch have done well in holding firm to our principles. But starting in the mid-1980s, the economic landscape changed quickly and dangerously—ironically at the same moment that democracy, free enterprise and antitrust were being embraced by the newly liberated countries of Eastern Europe, price-fixing activity began

resurfacing in America because of lax enforcement and confusing judicial decisions.

The reappearance of price-fixing is not just of academic interest: It is a real threat to Americans' pocketbooks and is now costing the American consumer more than \$20 billion every year—not really the best prescription for stimulating the sluggish economy in the consumer spending sector.

Vertical price-fixing—or resale price maintenance—typically begins when a full-price retailer complains to a manufacturer about a discounter's competitive pricing. If the full-price retailer has enough economic clout, it can coerce the manufacturer to force the discounter to raise its prices to the full price level. Consumers will end up paying inflated prices and low-price retailers are deprived of their ability to compete.

For over 80 years, vertical price-fixing, in all its forms, has been illegal. However, in 1981, the Justice Department cooked up a bunch of theoretical reasons to break with this longstanding congressional policy and since that time, it has failed to prosecute a single vertical price-fixing case. Even worse, two Supreme Court decisions over the past decade have confused the law¹ and made it practically impossible for low price retailers, like discount stores, to get to a jury to hear their case.

If the economy is to revive quickly, it will be largely because Americans will spend their hard-earned dollars for affordable goods and services. But let's be candid: Americans are not spending for goods and services as they have in the past. In this environment, it is misguided, to say the very least, to permit vertical price-fixing—the effect of which is to make all Americans pay the Bloomingdale's price if they are going to purchase anything at all.

The House receded to the Senate version of the legislation after working with that body to ensure that the evidentiary standards were tightly drawn and that all businesses—large or small—would not be subject to litigation if the tests were not clearly met. One provision of the House bill not adopted by the conference was a well-meaning attempt to give special treatment to small businesses. But there were serious problems with this so-called small business amendment. The definition of small business as well as the burden of proof on small business were never clearly set out. Thus, the conference rightly feared that these ambiguities would lead to protracted litigation—just the opposite of what

¹ As Thomas A. Piraino, Jr., a leading commentator in the area, has pointed out, the Court in one of the decisions, the *Sharp* case, chose to ignore the substantive economic effect of detrimental conduct at issue, falling back instead on formalistic line drawing that benefits neither the consumer nor the general economy. See, Piraino, "Sharp Dealing: The Horizontal/Vertical Dichotomy in Distributor Termination Cases," 38 *Emory L.J.* 311-367 (1989).

small business needs. Indeed, the conference version can provide clear application of the benefits sought for small business in H.R. 1470.

This measure may be the single most important consumer measure to be considered by Congress this year. That it has received such tremendous bipartisan support—under the cosponsorship of the gentleman from Illinois, Mr. HYDE—only attests to the recognized need to give consumers the full benefit of the American free enterprise system.

I urge you to join us in supporting the conference report.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. BROOKS. I yield to my friend, the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Speaker, when the gentleman talks of vertical price fixing, is that analogous to the keiretsu system in Japan?

Mr. BROOKS. Mr. Speaker, one might say that.

Mr. BURTON of Indiana. I just wanted to get that clarified, because people are not aware of that.

Mr. BROOKS. Mr. Speaker, I reserve the balance of my time.

Mr. FISH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am strongly opposed to the conference report on S. 429. This legislation will be damaging to American industry, American productivity, and the American economy overall.

The primary end product of this bill is more litigation. More litigation means higher—not lower—prices for America's consumers. More litigation does not create new jobs, nor does it protect existing jobs. More litigation does not help American manufacturers and small businesses survive and prosper in a highly competitive world economy. I say to my colleagues that legislation has negative ramifications far beyond changes in the Federal antitrust laws and I urge you to keep this fact in mind as you consider this conference report.

On June 18, the conference committee met briefly on this legislation. At that time, a majority of the House conferees failed to support the House position and, instead, voted to accept the Senate version of this legislation in its entirety. Consequently, the conference version of this legislation does not contain the extremely important protection for small business that was embodied in the House bill by virtue of an amendment authored by the gentleman from California [Mr. CAMPBELL].

My colleagues will recall that when the House version (H.R. 1470) of this legislation was considered on October 10, 1991, an amendment sponsored by Congressman CAMPBELL was adopted by a 218 to 195 roll call vote. The Campbell amendment would provide certain businesses—particularly small businesses—with an important and essential defense in the treble damage legal ac-

tions authorized by this bill. If they can demonstrate that they are "so small in the relevant market as to lack market power" they are protected against liability in these suits. Without this language, small businesses all across this country will suffer severely.

No one who opposes this ill-advised and unfair legislation argues or believes that manufacturers and retailers should be permitted to engage in price-fixing conspiracies. But both horizontal and vertical price fixing are illegal per se right now! In fact, vertical price fixing—the supposed focus of this bill—has been illegal since 1911. We don't need a new statute to tell us what is already the law.

Instead, S. 429 would invent supposed price-fixing conspiracies out of innocent and lawful business decisions. What S. 429 is really about is the alteration of evidentiary requirements in certain complicated types of antitrust cases. Specifically, those cases where it is alleged that a dealer's termination by a manufacturer occurred in furtherance of a resale price maintenance scheme. The bill would create an inference or legal presumption that a price-fixing conspiracy occurred when, in fact, no such conspiracy may ever have taken place. As drafted, S. 429 could easily result in courts and juries misinterpreting and treating many innocent and completely lawful business decisions as vertical price-fixing conspiracies.

S. 429 would reduce the level of evidence needed to proceed to trial by creating an inference of an unlawful conspiracy in certain fact circumstances. This inference would be based on evidence that is equally consistent with a totally different conclusion—that is, that a manufacturer made a lawful, unilateral decision regarding who will distribute and sell its products.

By its very nature, antitrust litigation is lengthy and time consuming. Typically, these cases take years to resolve. What the advocates of S. 429 know, is that if these weak cases get by preliminary motions for early dismissals; that is, motions for summary judgment, then the cost and the time-frame itself will force manufacturers to agree to money settlements, even though the facts don't support that result. Again, because of the availability of treble damages, S. 429 is certain to invite a substantial increase in these complex antitrust suits. So, the backlog of civil cases in our Federal courts will continue to mount and worsen.

The bill will discourage and inhibit manufacturers from terminating dealers who provide inadequate service or otherwise violate the terms of their contracts. Small independent dealers are also likely to suffer under this legislation. This is because manufacturers would have an incentive to open up their own distribution centers to ensure that adequate services are offered

along with their product and will surely do so.

It is important to stress that it is completely lawful for a manufacturer to choose not to deal with a particular retailer or terminate an existing business relationship with a retailer for reasons unrelated to price. Typical examples of these reasons would include: circumstances where the retailer does not advertise the product as agreed upon, does not employ salesmen trained in the technical nuances of a product, does not provide adequate warranty and repair service, does not display the product in the fashion agreed upon, or does not stay within his assigned territory. Manufacturers are rightly concerned about the reputation and goodwill surrounding their products. Make no mistake about it, product reputations are made in the retail marketplace.

Unfortunately, the bill asks Congress to pick sides in antitrust litigation. It will unfairly tilt proceedings in favor of a plaintiff; that is, a discontinued dealer, merely upon the dealer's allegation of an antitrust violation. The unilateral decision of a manufacturer to select its own retail outlets is currently protected by the antitrust laws and has been since 1919. *U.S. v. Colgate*, 250 U.S. 300, 307 (1919). But certain advocates of S. 429 intend to change that situation by essentially overruling portions of the Colgate doctrine. What some proponents want from this legislation is to use the antitrust laws to gain more economic and legal leverage so that they can force a manufacturer to sell its products to them.

This bill is not likely to help consumers either. In fact, in significant ways, the bill is anticonsumer. For example, it will harm purchasers of products that require special servicing and marketing. If it is enacted, buyers can expect to receive less warranty protection and less repair service than is now the case. If you are purchasing a personal computer, a VCR, or a camera, warranty and repair service is a vital element of that purchase. This legislation could undermine the incentive to provide those additional services with those types of technical and complicated products.

Some would have us believe that a vote for this bill is a vote for discount prices. This is not only inaccurate—it is a ludicrous way to justify this departure from traditional antitrust law. In reality, this bill is about giving one side an advantage in litigation. It unfairly presumes a vertical price-fixing conspiracy has occurred in every instance where a retailer dealer is terminated by his manufacturer-supplier. Such a presumption defies everyday business practice and common sense. The bottom line is that this bill will cost us more money—both as taxpayers and consumers. That does not help discount stores or discount prices.

The legislation is strenuously opposed by the National Federation of Independent Business [NFIB]. Your vote on this conference report will be considered a key vote by that organization. Plain and simple, the deletion of the Campbell amendment from the conference report has made this legislation unacceptable to American small business.

This bill is also opposed by a variety of other business groups, including the chamber of commerce, the National Association of Manufacturers, the Business Roundtable, and the Computer and Business Manufacturers Association. Further, this bill is opposed by the Department of Justice and the Federal Trade Commission. If it reaches the President's desk in its current form, a veto of S. 429 will be recommended by his senior advisers.

In addition, it is opposed by the American Bar Association and the antitrust section of the City Bar of New York. I think it is particularly noteworthy that these two legal organizations are unequivocally opposed to S. 429—because they are the most qualified to understand its complexities and real consequences.

If S. 429 as reported by the conference committee is enacted into law, then Congress will have created a legal situation that will result in serious and costly harm to thousands of businesses—manufacturers and retailers—all across this country. The bill would establish a statutory presumption of unlawful price fixing and, as a result, weaken evidentiary standards in complex antitrust cases dealing with resale price maintenance. The bill would encourage plaintiffs to bring antitrust suits that would not be filed today. This legislation means more lawsuits and more cases going to trial.

Again, this legislation is a likely target for a Presidential veto. It will inhibit manufacturers from terminating dealers who provide inadequate service. It will harm consumers seeking products that require special services and marketing. It will make it harder for small businesses and new competitors to enter the market with new products and brands. It will subject small businesses to unnecessary, unsubstantiated law suits. In short, it is unwarranted, ill advised and unfair.

I strongly urge my colleagues to oppose the conference report on S. 429.

For the RECORD, I include the letter referred to earlier:

OFFICE OF THE ATTORNEY GENERAL,
Washington, DC, June 28, 1992.

Hon. ROBERT H. MICHEL,
Republican Leader,
U.S. House of Representatives.

DEAR MR. LEADER: This letter presents the views of the Administration on the Conference Report on S. 429, a bill which would impose treble damages under the antitrust laws for alleged resale price maintenance agreements between manufacturers and distributors. The Administration continues its

longstanding opposition to such legislation. S. 429 will harm the economy and the sound administration of the antitrust laws by stretching and distorting the definition of conspiracy such that it would expose manufacturers to treble damage liability where no conspiracy existed and no prices were fixed. Accordingly, I and the President's other senior advisers would recommend a veto of the Conference Report on S. 429 if it reached the President's desk.

Our concerns with the bill remain as follows:

S. 429 would permit allegations of an unlawful price-fixing conspiracy to go to a jury trial based on little more than the fact that one dealer has been terminated in response to a complaint from a competing dealer. This would, in effect, turn legitimate business decisions by a manufacturer on how best to distribute its products into antitrust litigation, thereby encouraging additional lawsuits, increasing costs to consumers and subjecting manufacturers to treble damages.

The freedom of a manufacturer unilaterally to decide whether or not to distribute its products through a given dealer is an essential part of our free enterprise system and has a solid foundation in settled antitrust law. In part, manufacturers rely on feedback from their distributors to supply the goods and services that consumers desire. S. 429 would hinder this important exchange of information.

Contrary to its proponents' arguments, S. 429 would not benefit consumers but restrict the ability of a manufacturer to ensure that its distributors provide consumers valuable product expertise and product servicing.

The Office of Management and Budget has advised that it has no objection to the submission of this report and that enactment of S. 429 would not be in accord with the President's program.

Sincerely,

WILLIAM P. BARR,
Attorney General.

□ 2140

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

Mr. BROOKS. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey [Mr. HUGHES], the distinguished chairman of the Subcommittee on Intellectual Property and Judicial Administration.

Mr. HUGHES. Mr. Speaker, I rise in support of the conference report on S. 429, the Price Fixing Prevention Act. In my judgment, it is a fair, balanced bill that will benefit American businesses and American consumers.

Let me congratulate the distinguished gentleman from Texas [Mr. BROOKS] for his work in bringing back a bill, a conference report that I think is in the interests of the American public.

□ 2150

I do not understand some of the arguments being made here today, and I do not understand why the business community is afraid of competition. Competition is the foundation of our free enterprise system, our entire economic system. Competition rewards, quality and efficiency, thus maximizing the benefits to society. Unfortunately, in

recent years the Department of Justice and the Supreme Court in a series of decisions have backed away from their responsibilities in enforcing our antitrust laws and preserving our economy's competitive foundation. That has been the hallmark, really, of administrations all down through the decades, Democrat and Republican administrations.

Vertical price-fixing, and that is what we are talking about, or recent retail price maintenance, is a conspiracy between suppliers and their dealers to maintain inflated prices and avoid retail competition. Through such conspiracies the suppliers and dealers involved act as one monopoly, increasing their profits by keeping supply artificially low and prices artificially high. It is that simple. The goal is to profit not by offering the best value but by overcharging their customers, who cannot purchase those products at a fair price.

The conference report, among other things, unlike the House bill, reaffirms Federal policy against vertical price-fixing by codifying the 1911 Supreme Court holding that vertical price-fixing is illegal per se, and clarifies the evidential standards involved.

The standards in the conference report make it somewhat more difficult than the House-passed bill to bring a retail price-fixing action, and I regret that. Unlike the House measure, the agreement also specifies that courts must consider bona fide business justifications for a manufacturer which terminates or refuses to supply a discount in deciding whether to dismiss the case before it goes to a jury.

The House bill, indeed, has more stringent requirements than when it left the House, and I regret that, but it is the best bill that we have. It is the only bill before the Congress, and it is important that we vote for it. I strongly urge my colleagues to stand up for the American principles of free enterprise and competition, to seize the chance to restore antitrust law to the American marketplace, and vote for S. 429.

Mr. FISH. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. MOORHEAD].

Mr. MOORHEAD. Mr. Speaker, as a Member of the Committee on the Judiciary, I have listened to testimony and analyzed the implications of this legislation for the last three Congresses. Because of my concern regarding the bill's likely adverse effects, I have voted "nay" on no less than five previous occasions. I remain convinced that this measure—in the form of this conference report—would be economically counterproductive for business and for our country.

The language of S. 429 is troublesome and erroneous because it presumes a price-related motive in every dealer termination case. The legal inference

or presumption established by this bill assumes that a price fixing goal was in mind, when the identical facts could lead a reasonable judge or a reasonable juror to conclude otherwise.

Vertical price fixing conspiracies are per se violations of the Federal antitrust laws and should be punished. That is already the law. But, what the proponents of S. 429 are seeking to do is confuse and obscure the very clear distinction between illegal price-fixing conspiracies and legitimate, lawful business decisions.

S. 429 is a direct attack on the venerable "Colgate Doctrine" of antitrust law and attempts to undermine that landmark Supreme Court ruling. *U.S. v. Colgate*, 250 U.S. 300, 307 (1919). The Colgate decision made it clear that a manufacturer has a lawful, recognized right to decide with whom it will do business. There is nothing in the antitrust laws that interferes with the unilateral right of a manufacturer or wholesaler to select their retail outlets.

Manufacturers have a right to establish quality requirements and service standards for their retail outlets. Manufacturers have a recognized right to establish their own distribution systems and can lawfully terminate poor performing dealers for non-price reasons. If a dealer doesn't advertise or promote the product, doesn't train his sales staff, doesn't provide adequate repair and warranty services, or doesn't stay within his assigned territory, then a manufacturer has a right to end that business relationship. As we all know, the sales success of a product depends upon its goodwill—its reputation for quality and reliability—and that, ultimately, depends upon the consumer's impression in the retail marketplace.

Unfortunately, the conference committee deleted the language that was included in the House bill as a result of an amendment by my colleague from California [Mr. CAMPBELL]. The Campbell amendment would have exempted businesses without market power from the coverage of S. 429. That small business amendment was overwhelmingly adopted by this House, last October. Without it, S. 429 is totally unacceptable and the NFIB is urging a "no" vote on this conference report.

As I have said on numerous occasions, since our committee began consideration of this legislation—it seems to me that the large discounters like K-Mart, Burlington Coat Factory, Wal-Mart, and others are doing extremely well. The fact is their sales are climbing each year. Also, the number of discount outlets grows larger every year. It is the small, individual main street retailer that has been in business for many years that is struggling in my area of the country and elsewhere. In fact, many of them have been forced out of business by the success of the discounters.

Congress should not be gerrymandering or micromanaging the antitrust laws so as to favor a particular class of litigants. This is bad legislation and deserves to be defeated.

Mr. BROOKS. Mr. Speaker, I yield one minute to the distinguished gentleman from Kentucky [Mr. MAZZOLI], the chairman of the Subcommittee on Immigration, Refugees, and International Law of the Committee on the Judiciary.

Mr. MAZZOLI. Mr. Speaker, I rise in very strong support of the bill that has been offered by the gentleman from Texas [Mr. BROOKS], our chairman, and sponsored also by the gentleman from Illinois [Mr. HYDE].

I think it all boils down to one thing, very simply, and that is do we want to be sure that in America today we protect the consumer. That is exactly what this bill does, it protects the consumer. It gives the consumer the very best price available. It protects the low cost or the low discount retailer who does want to serve a clientele for whom and for which price is important.

I would also like, Mr. Speaker, to make note of the fact that in a letter dated June 22, just earlier this month, among other attorneys general is Mr. Chris Gorman, my friend who is now the Attorney General of the State of Kentucky, who affirms his and the collective attorneys general's support for the bill before the committee tonight.

Mr. Speaker, I urge support of the conference report.

Mr. FISH. Mr. Speaker, I am happy to yield 3 minutes to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Speaker, I am very pleased to support this excellent bill. I applaud the conferees for a fine job of legislative craftsmanship which promises to save consumers billions of dollars a year in inflated prices while protecting manufacturers from frivolous lawsuits.

Vigorous competition on the basis of price is a cornerstone of our free enterprise system. Unfortunately, the Supreme Court's Monsanto and Sharp decisions in the 1980's significantly raised the burden of proof faced by discounters challenging supply cutoffs by manufacturers conspiring with competing dealers to maintain high and unchallenged retail prices. Discounters no longer have a fighting chance of winning antitrust actions, and manufacturers have become greatly emboldened in threatening terminations of supply. Unfortunately, examples are endless. A clothing manufacturer terminated its relationship with a discount chain because of pressure from a department store. A book publisher terminated a discount bookseller because of complaints by trade associations. A general merchandise discounter was threatened with a supply cutoff by appliance, computer, and

toy manufacturers if it refused to increase catalog prices.

To combat these abuses, S. 429 would codify the eight decade old rule that vertical price fixing is per se illegal. The bill would then modify or overrule Monsanto and Sharp to the extent necessary to establish uniform and fair evidentiary standards in dealer termination cases. The heart of the bill is a simple and eminently reasonable proposition: When a retailer's request that a manufacturer work to curtail or eliminate price competition is the major cause of a discounter's termination, a jury should be allowed to decide whether there in fact existed a conspiracy to fix prices.

This standard will allow discounters to effectively fight for their rights and for those of consumers. But it will by no means interfere with the ability of manufacturers to terminate dealers unilaterally or for other legitimate reasons, such as rival dealers' complaints of a discounter's inferior service. Numerous safeguards have been built in for this purpose.

For example, claims of conspiracy which a judge finds implausible cannot go to a jury. A manufacturer can always present evidence of a nonprice rationale for termination. And remember, a jury ultimately has to find that a conspiracy existed for there to be any violation.

Let us reaffirm our good judgment of last October and pass S. 429. We can put the House of Representatives on record that we will not tolerate price fixing under any circumstances in America and we can move one step closer to winning a major victory for the consumers in our districts.

□ 2200

Mr. BROOKS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Florida [Mr. SMITH], a former member of the Committee on the Judiciary and now a very important member of the Committee on Appropriations.

Mr. SMITH of Florida. Mr. Speaker, I thank the gentleman for yielding time to me, and I commend him for all of the work he has done on this bill bringing it back from conference.

I want to talk about Xanadu Electronics, which sells to both Overpriced Ltd. and Too Cheap, Inc. Too Cheap is a discount retailer that makes money, even though its prices are less than those charged by the multiproduct-selling Overpriced chain.

One day, an Overpriced VP tells a Xanadu executive that Too Cheap is murdering Overpriced in a few markets. A moment or two later lo and behold, the Overpriced VP mentions that he might have to reduce the amount of space provided for Xanadu products in Overpriced stores nationwide. A few days later, Xanadu cuts off Too Cheap.

Now, Mr. Speaker, a rational person might reach two conclusions from this

scenario: First, Xanadu's action bore no relation to the conversation that occurred between Xanadu and Overpriced; or second, Xanadu cut off Too Cheap to assuage Overpriced and to keep Overpriced business.

Without more evidence, no one, not I or anyone else can tell you exactly what occurred. And that is precisely the problem that S. 429 will overcome and seeks to overcome.

Under current law, no judge or jury would hear any additional evidence to decide whether an illegal price-fixing conspiracy occurred.

Under S. 429, that is all changed so that additional evidence may be supplied to make a rational decision in cases where prices and consumers are the most important things. And this is what we need to get to as the bottom line on this bill.

I have probably the biggest and one of the most successful discount malls in my district. In this time of recession it is doing an incredible landslide business from people who need these lower priced, American-made, well-made standard goods because they cannot afford to spend the money in other stores where these products are more costly, and sometimes overpriced. These malls, these stores serve a great American heritage, and a great American purpose, and for us to deny American consumers the ability to buy American products at the cheapest prices would be to deny the very competition that made this country great.

I commend the chairman for this bill and commend those who support it, and urge all of my colleagues to vote, as the gentleman from Illinois [Mr. HYDE] said, for American consumers.

Mr. FISH. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Speaker, I rise in opposition to the conference report on H.R. 1470, the Price Fixing Act of 1991. I spoke against the bill when it came before the House last year because price fixing is already illegal, and has been since 1911. We have adequate protections against price-fixing. This bill is not necessary.

H.R. 1470 is bad for private enterprise and bad for small business. It will interfere with legitimate business decisions that have nothing to do with price fixing. And it will expose manufacturers, as well as small businesses, to costly and unnecessary lawsuits.

Dealers who have been terminated by a manufacturer for failing to follow service or warranty guidelines, for example, could file suit charging price fixing. A manufacturer should have the right to exercise quality control over the sale and service of its product. Such action is essential to protecting the reputation and quality of that product and it is not price fixing.

When the bill passed the House, it contained the Campbell amendment

that provided small business owners a defense against frivolous price-fixing lawsuits. The conferees stripped the Campbell amendment out of the bill.

That means small main street retailers could be subjected to expensive litigation on the basis of almost any communication they might have with a manufacturer.

A terminated dealer can more easily bring a charge of price fixing when none exists, and it will be up to the manufacturer and retailer to spend legal fees to fight the case. Let's face it, this bill will hurt mom-and-pop stores all across the country and will help the big discount chains. That is why the National Federation of Independent Business [NFIB] is strongly opposed to the conference report.

No one condones price fixing and those caught in such activity should be prosecuted.

Mr. Speaker, I have a manufacturer in my State that started 18 years ago in his basement. He now has 2,000 employees. He did it on his own. He makes electronic devices. He said he can beat the Japanese, he can beat the Koreans, and he can beat the Mexicans with a better product, and he can sell it cheaper, and make a profit. And he said, "The biggest problem I have is Congress passing laws and regulations that take a lot of time and hurt me in making a profit and giving jobs to people."

I urge a "no" vote on this conference report.

Mr. BROOKS. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in support of the conference report on the Price Fixing Prevention Act of 1991, and I wish to commend the gentleman from Texas [Mr. BROOKS] and the gentleman from Illinois [Mr. HYDE] for their work on this matter.

As we know, a 1988 Supreme Court decision severely tightened the evidentiary rules in price-fixing cases, making it difficult for discount businesses to function freely. Last fall the House passed H.R. 1470, a measure similar to the one before us today, designed to protect consumers from vertical price fixing. While the measure now before us incorporates the text of S. 429, it nonetheless fulfills our objective of preventing vertical price fixing. In addition, amendments made to this bill by the other body protect small businesses from frivolous lawsuits.

Mr. Speaker, since 1911 vertical price fixing has been illegal, but recently we have seen discount stores closing because of price-fixing agreements that restrict their access to quality name brand goods. A significant portion of our population, including those of moderate income and many of our older Americans, rely on discount stores for quality goods.

Accordingly, I urge my colleagues to support competitive pricing and a free market by supporting this important measure, the Consumer Protection Against Price Fixing Act, the conference report on S. 429.

□ 2210

Mr. FISH. Mr. Speaker, I yield 3 minutes to my colleague, the gentleman from New York [Mr. HOUGHTON].

Mr. HOUGHTON. Mr. Speaker, I rise in opposition to the conference report on S. 429.

The issue is vertical price fixing. It sounds bad: Big companies out to get the little companies. And, frankly, that is exactly what it is. But it is cast in the wrong way.

It is not the big manufacturers coming out to get the discounters. It is the discounters coming out to get the mom-and-pop stores. The facts are that price fixing has been illegal for many, many years. That is a fact. So it is not the issue.

The issue is whether discount stores can get cheap access to the courts under the guise of discrimination.

Let me tell you a story. There was a department store in the town in which I live, a small store, a good store which went out of business after 70 years. The same week that it went out of business, a large discount store made an announcement that it was getting into business.

The discount stores are doing just fine. The manufacturers have not laid a glove on them. It is the smaller stores with the small market share who are not.

So does this bill help those in trouble, the little guys? Not on your life. It helps the large merchandisers, because they have got the club. They can sue at the drop of a hat. Small guys cannot afford that. Most do not want it. But this gives those with deep pockets an anticompetitive edge.

The bill is not proconsumer. It is not procompetitive. I am afraid it is anti small business.

Frankly, at this particular time in our Nation's history, that is not good.

Mr. BROOKS. Mr. Speaker, I yield 4 minutes to the gentleman from Oklahoma [Mr. SYNAR], a distinguished member of the committee.

Mr. SYNAR. Mr. Speaker, I rise in support of the conference report today.

For those of my colleagues who are back in their offices watching this on TV and for the people who are viewing this around the country, let me try to clear away the fog that seems to be evolving into the Chamber, because this is a very complicated and complex issue. And I think both sides of the argument will agree with that.

I would like to address three things. First of all, the issue of whether or not the National Federation of Independent Business is for or against vertical price fixing. The NFIB has switched on this

position since 1982 when they testified before the Committee on the Judiciary and they offered very strong testimony at that time that they were vigorously opposed to any effort to weaken the laws against vertical price fixing.

This new adventure that they take us on tonight is completely opposite to that testimony that they offered to the committee in 1982. There is absolutely no reason to believe that they are for vertical price fixing. In fact, a number of their members since the debate that was held on this floor a matter of months ago have criticized the NFIB for representing their position. We have letters, for example, from the Service Station Dealers of America, as well as the National Association of Retail Druggists, who criticized the NFIB for holding out a position they do not hold, and that is that the vertical price-fixing provisions of this bill are critical to the operations of their businesses.

Second, you are going to hear in a matter of moments really the issue of this debate, and that is what is called market power. The market-power test which the conference committee rejected was rejected because we believe that vertical price fixing is a violation of the antitrust laws per se, and that market power should not play into that consideration. In fact, we have a litany of Supreme Court cases which point out time and time again that any level of market power does not in itself make a case against vertical price fixing. In fact, we even have one case where a 100-percent market share was not enough by which to really cause this to be triggered.

So when you hear the arguments from some of the Members who will speak after me with respect to market power, it is very clear that that is not the debate that we are trying to have here on the floor today. One final thing, and that is that I think it is important for us to try to say who are the winners here. The winners are basically the consumers of America. As the gentleman from Illinois said, by the passage of this bill we are literally going to save the consumers of this country billions of dollars while increasing the variety of goods which they have available on their shelves.

It is that basic principle, that basic principle that now has not only the AARP but the chief law enforcement officers of our country, the State attorneys general, and finally the Consumer Federation of America embracing this bill, demanding Congress to pass this bill to correct this problem which has existed for too long.

In summary, let me suggest to my colleagues that this is an opportunity to do a variety of things: First, to provide consumers billions of dollars of savings and better variety; second, to correct something that for too long has been on the books; but, finally, and

most importantly, to send a strong message to small business that we are going to do the types of things that will ensure they will be competitive in the decade of the 1990's and into the next century.

ANNOUNCEMENT BY THE SPEAKER P.T.

The SPEAKER pro tempore. (Mr. CARDIN). Let the Chair remind all Members that all comments should be addressed to the Chair, not to the viewing audience.

Mr. FISH. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. Mr. Speaker, the legislation before us will help to ensure that the American consumer benefits from an open, fair, and free-market economy. Price competition is paramount to any market-oriented economy, and this fact—combined with the antitrust laws that preserve it—has been the cornerstone of my party.

Enforcement by the Federal Government in this area has been tepid at best, when what is needed is a strong commitment to the law. Also needed to ensure maximum competition in the open market is vigorous private enforcement against retail price maintenance. S. 249 serves to balance the scales: It provides the fair standards that a private plaintiff needs to sustain a legitimate price-fixing case and also affirms that retail price fixing is illegal per se.

This bill is a measured legislative effort to assure that legitimate suits challenging anticompetitive resale price maintenance agreements will receive fair hearings on their merits and I urge support for it.

Mr. FISH. Mr. Speaker, I yield 1 minute to the gentlewoman from Maryland [Mrs. BENTLEY].

Mrs. BENTLEY. Mr. Speaker, I thank the distinguished gentleman from New York for yielding me this time.

Mr. Speaker, the conference report on S. 429 should be supported. If we believe the cant and rhetoric of all of the free-trade, free-market economists and count past votes—in this House—for letting the market decide the economic future of this great Nation—then, this report should pass handily. What is more important in a free market than letting competition in the market place set the price?

But, in looking at some of the groups who would defeat this legislation—it seems that they support the free market concept up to the point that they must compete in the market . . . no holds barred.

My position on protecting the American market and the American producer from unfair foreign competition—many times from cartels or government-subsidized production—remains unchanged. My support of this legislation is to stop the approval and growth of monopolistic practices inside

this Nation. This conference report on S 429 should be supported by every true free trade advocate if we are to continue to have even-handed trade in our American markets.

□ 2220

Mr. FISH. Mr. Speaker, I yield the balance of our time to the gentleman from California [Mr. CAMPBELL].

The SPEAKER pro tempore. (Mr. CARDIN). The gentleman from California [Mr. CAMPBELL] is recognized for 6 minutes.

Mr. CAMPBELL of California. Mr. Speaker, I thank my colleague, the gentleman from New York, for giving me the opportunity to close the debate on our side.

I would also like to address to the Speaker that I would welcome a debate if my colleagues on the other side are interested in doing so.

I do not have notes. I have no prepared speech. When my remarks are finished, I would welcome any colloquy that anyone may wish to engage in, and if I have exceeded my 6 minutes, perhaps it could come out of the 13 minutes that the gentleman has reserved.

What we are speaking about here tonight is lawsuits. The typical situation is this. A manufacturer says, "Here is a product and I am going to let a retailer sell it."

Retailer A sells it for one price and retailer B sells it for a different price. Every day of the week retailer B complains to the manufacturer about retailer A. Some of those complaints have to do with, well, he is invading my territory, or complaints that she is not providing warranty service. It is standard. It happens every day of the week.

Now, occasionally one of those retailers will complain to a manufacturer and will say, "You know, that other retailer over there, she is cutting price."

And then the manufacturer has to decide what the manufacturer is going to do.

Under the Supreme Court precedents, the manufacturer may legally terminate that retailer who is accused of cutting price. It is perfectly legal, the Colgate doctrine, 1919.

What the manufacturer may not do is call back or on that same telephone call agree with the first complaining retailer and say, "You know, I will terminate that other retailer because you complained." Dr. Miles, 1911.

Now, that is the law that we have dealt with since 1919, the complete law.

You may terminate a distributor provided you have not agreed with another retailer to terminate that distributor on the basis of price. You may in your own mind think that is the reason. You may in your own mind have a dozen other reasons.

Now, we have lived with that law for many, many years.

The Supreme Court decided the Monsanto Case in 1984. In Monsanto, it deals with the following fact situation: One retailer complains to a manufacturer and says, "That other retailer is cutting price." And there was some evidence to suggest that the manufacturer wanted those retailers to maintain a price. There was a price list that had been circulated. That was it.

And the question was, could a jury be permitted to take the inference just from the fact that the manufacturer has circulated a price list, that the reason the manufacturer had terminated that retailer was the complaint of the other manufacturer for cutting price.

The Supreme Court said, no, that is not enough.

You see, that manufacturer might have terminated the retailer for a dozen other reasons. There was no evidence of an agreement with that first retailer who complained. You have got to have more.

In Monsanto, the Supreme Court said, "You must have evidence sufficient to dissuade the possibility that it was independent action by the manufacturer. You have got to prove that there was that conspiracy."

And that I suggest was consistent with the law from Monsanto and Dr. Miles.

Now, tonight we discuss a bill brought back from conference which changes that. What the bill we have before us does is to say when a manufacturer receives a complaint from a retailer and that retailer mentions price, that complaint may be enough to go to the jury to raise an inference of an agreement.

Now, the Brown amendments changed the bill as it came out of the House floor, but it does preserve this fundamental point. You can get to a jury on the question of whether the manufacturer terminated that other retailer because of price, simply on the basis of an inference because that first retailer called and complained about price.

Here is why I oppose the bill. That is a guaranteed lawsuit. It is a guaranteed lawsuit every day of the week.

The one bulwark against that kind of lawsuit was a motion to dismiss which the judge would rule on, based on Monsanto. The judge would say, "Hey, that is not enough. You cannot just claim that it was done on the basis of price because of one complaint. Show me more. Show me that evidence of agreement."

But if we pass this tonight, Mr. Speaker, it is enough to get to a jury. What does it mean to get to a jury? It means that the defendant is going to have to consider settling. It means that the defendant has got to face the probability of having treble damages possibly when there was no actual agreement and that a defendant faced with that kind of intimidation might

decide the wiser course is to settle out, the kind of intimidation that has led to so many lawsuits in this country and in my judgment has kept us from being as competitive as we would otherwise be.

So when this bill was on the House floor a few months ago, I offered my amendment, and my amendment said, look, at least if it is going to go to a jury or a judge on a motion to dismiss, at least allow the defense that we are too small to have affected any market power. We are too small.

The majority of this House agreed that that was an appropriate bulwark, an appropriate stopgap, because if you were the retailer who complained, you were suing not only against the manufacturer, but against the other retailer. That is why NFIB is making this a key vote. It is not because they are interested in protecting manufacturers. They are interested in protecting that one retailer whose only sin is calling up the manufacturer and suggesting a complaint about the other retailer, the sort of thing that happens every day of the week.

My colleagues, I tell you, there will be litigation every day of the week. Small business will be up against the prospect of treble damages. The one hope for this not to happen is my amendment. My amendment was stripped in conference.

Mr. Speaker, I urge if you supported the Campbell amendment, please vote "no" on the conference report.

Mr. BROOKS. Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma [Mr. SYNAR].

Mr. SYNAR. Mr. Speaker, would the gentleman from California engage me in some questions and answers for the benefit of our colleagues?

Mr. CAMPBELL of California. I would be pleased to.

Mr. SYNAR. First of all, Mr. Speaker, would the gentleman agree that the legislation that is before us requires that a retailer must demand that that wholesaler take action for it to be a legitimate case that he could take to court?

Mr. CAMPBELL of California. Mr. Speaker, if the gentleman will yield, that is how I read the Brown bill.

Mr. SYNAR. Would the gentleman also agree that the issue that is really at hand here is how much evidence needs to be presented in order that it would be considered by a jury?

Mr. CAMPBELL of California. I agree.

Mr. SYNAR. Is it not also the case from the gentleman from California that because of the Monsanto case that what we really have is the burden of proof on the potential retailer to have to prove a negative versus a positive in order to get to court?

Mr. CAMPBELL of California. With that I disagree, if the gentleman will yield further.

Mr. SYNAR. Briefly, because I have two more questions.

Mr. CAMPBELL of California. The gentleman may interrupt me anytime he feels I am talking too long.

The Monsanto case said that the complaining retailer had to put in sufficient evidence of an agreement, and that is affirmative. It is not proving a negative.

The court then in explaining said that an agreement means enough to rebut the inference that it was done unilaterally.

Mr. SYNAR. Finally, let me ask the gentleman, we have basically here the elements of that that we are debating and what the elements of evidence that have to be presented for a jury to consider, but it does not insure that the jury will consider, that the judge may also pull it before the jury has considered it; is that not correct?

Mr. CAMPBELL of California. Yes. This bill does not amend the rules of civil procedure in that regard.

Mr. SYNAR. The final point is that I understand and have worked with the gentleman over the years and I know he is not a conservative extremist, but if we were to take the proposition that the gentleman would offer and reject this bill, are we not really saying that we are afraid of the jury system, and therefore what we are trying to do is make sure that juries will never hear these types of cases?

Mr. CAMPBELL of California. Mr. Speaker, if the gentleman will yield further, no more so than in any civil action where a motion to dismiss is permitted or a motion on the pleadings or a motion for lack of cause shown in the complaint. The Federal rules of civil procedure, as my colleague and friend, the gentleman from Oklahoma knows quite well, allows many instances when a court may take an issue from a jury.

Indeed, before the Monsanto case, an issue could be taken from the jury if the defendant was able to prove that there was no inference of an agreement; so in that regard, it is no difference from the current status of civil procedure.

Mr. BROOKS. Mr. Speaker, I yield myself the balance of my time.

Like the gentleman from California, I am also concerned about protecting small businesses. And since small businesses are in far more danger of being victimized by a price-fixing conspiracy than by any frivolous antitrust lawsuit, it is essential that the bill not be undermined. Unfortunately, the gentleman's amendment—which I believe is completely well-intentioned—might have nullified the bill's protections, by creating a loophole that would have exempted even industry giants from liability. If you don't believe me, ask the U.S. Chamber of Commerce, which in a newsletter admitted that this amendment would exempt almost all businesses, not just small.

We have done everything within reason in this conference report—and perhaps a bit more than that, frankly—to assure all businesses, large or small, that they will not be subject to frivolous lawsuits.

The conference report includes several changes from the House-passed bill that go right to the heart of the concerns raised by certain elements in the business community that they might be unfairly charged with price-fixing. The goal here was to be fair to all potential defendants in developing appropriate standards. In addition, the House version contained language that might have led to protracted litigation for small businesses in attempting to prove that they were, in fact, "small." That is unsatisfactory, and the conference report avoids that problem. I would therefore urge Members to support the conference agreement.

Mr. SMITH of New Jersey. Mr. Speaker, I rise in strong support of the conference report on S. 429, the Consumer Protection Against Price-Fixing Act.

I have supported this type of legislation since 1983 in the effort to reform our antitrust regulations and ensure that all consumers are able to purchase their products in a free market. And perhaps today more than ever, this legislation is needed as American consumers are turning more frequently to discount merchandisers to find the products they need at prices which fit their budgets.

The conference agreement before us is a good plan that will safeguard consumers and retailers from resale price maintenance and vertical price fixing.

In short, Mr. Chairman, vertical price fixing occurs when a manufacturer dictates the price a retailer may charge when selling the manufacturer's goods. This practice is anticompetitive and an unacceptable restraint of trade. If the retailer purchases the goods from the manufacturer, the retailer and the free market should determine the price offered to the consuming public. The price should not be artificially established.

Mr. Speaker, when price fixing occurs, the American consumer is the loser. In New Jersey, for example, a major department store demanded that a manufacturer halt the delivery of a product to a discounter who was underpricing the department store. The manufacturer—fearing the loss of this nationwide department store as a customer—dropped the discounter and refused to supply it with its products. Eventually, the discounter—fearing the loss of the manufacturer's other goods in all of its other stores nationwide—complied with the demand and stopped selling those goods at prices which undercut the department store. In the end, the consumers were forced to pay more than the retailers ever wanted to charge.

Unfortunately, during the 1980's as price fixing became more common, two Supreme Court decisions made it very difficult for a discount retailer to bring suits against a manufacturer under current antitrust laws. The Monsanto and the Sharp Electronics cases created special loopholes which enhanced the ability of manufacturers to set retail prices. As more

and more discounters felt threatened, the need for legislation became more imminent.

Since 1983, Mr. Speaker, I have cosponsored legislation to end the anticompetitive activities which we are addressing in the legislation before us today, S. 429. In the 98th Congress, I cosponsored House Joint Resolution 389 calling on the Federal Trade Commission to enforce existing antitrust laws. In the 99th Congress, I was an original cosponsor of House Resolution 303 which challenged the legitimacy of Federal vertical restraining guidelines. In the 100th Congress, I was an original cosponsor of H.R. 585—the forerunner to today's conference report and in the 101st Congress, I cosponsored H.R. 1236. Of course, I was also an original cosponsor of H.R. 1470, the House companion bill to S. 429.

Mr. Speaker, passage of today's conference report is a significant milestone in the battle waged by consumers and discounters against artificial price fixing. This legislation offers consumers real protection and helps restore the discounter's ability to provide goods at attractive prices. The conference report addresses the problems posed by the two Supreme Court decisions and allows new evidentiary standards which can be used to end vertical price fixing.

I would like to commend the officers and employees of the Burlington Coat Factory who have truly been leaders in the fight to end vertical price fixing. I am proud to report that the very first Burlington Coat Factory location was established in my congressional district, appropriately enough, in Burlington, NJ.

Mr. Speaker, I urge my House colleagues to support the passage of this legislation. Its enactment is long overdue.

The SPEAKER pro tempore. 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 noes appeared to have it.

Mr. BROOKS. 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 175, nays 225, not voting 34, as follows:

[Roll No. 251]

YEAS—175

Abercrombie	Bentley	Clay
Alexander	Berman	Clement
Anderson	Bilbray	Collins (IL)
Andrews (ME)	Blackwell	Collins (MI)
Andrews (NJ)	Borski	Cooper
Andrews (TX)	Boucher	Costello
Applegate	Boxer	Cox (IL)
Aspin	Brooks	Coyne
Atkins	Brown	DeFazio
AuCoin	Bruce	DeLauro
Bacchus	Cardin	Dellums
Bellenson	Carper	Dicks
Bennett	Chapman	Dingell

Dixon	Levin (MI)	Rostenkowski
Donnelly	Levine (CA)	Roybal
Dorgan (ND)	Lewis (GA)	Russo
Downey	Lowe (NY)	Sabo
Durbin	Luken	Sanders
Early	Manton	Sangmeister
Eckart	Markey	Sawyer
Edwards (CA)	Matsui	Schroeder
Edwards (TX)	Mazoli	Schumer
Engel	McDade	Serrano
Evans	McDermott	Sharp
Fazio	McGrath	Shays
Feighan	McHugh	Sikorski
Flake	McMillen (MD)	Skaggs
Foglietta	McNulty	Slaughter
Ford (MI)	Mfume	Smith (FL)
Ford (TN)	Miller (CA)	Smith (IA)
Frank (MA)	Mineta	Smith (NJ)
Frost	Mink	Solarz
Gejdenson	Moakley	Spratt
Gephardt	Murphy	Stark
Gibbons	Murtha	Stokes
Gilman	Nagle	Studds
Glickman	Natcher	Swett
Gonzalez	Neal (MA)	Swift
Guarini	Nowak	Synar
Hayes (IL)	Oaker	Torres
Hertel	Oberstar	Torricelli
Hoagland	Obey	Towns
Hochbrueckner	Oliver	Trafiacant
Hoyer	Ortiz	Unsoeld
Hughes	Owens (NY)	Vento
Hyde	Pallone	Viscosky
Jacobs	Panetta	Volkmer
Jones (NC)	Payne (NJ)	Washington
Jontz	Pease	Walters
Kaptur	Pelosi	Waxman
Kennedy	Pickle	Weiss
Kennelly	Porter	Wheat
Kildee	Poshard	Wilson
Kleczka	Price	Wise
Kopetski	Rangel	Wolpe
Kostmayer	Reed	Wyden
LaFalce	Richardson	Yatron
Lantos	Rinaldo	
Laughlin	Rose	

NAYS—225

Allard	Dreier	James
Allen	Duncan	Jefferson
Archer	Edwards (OK)	Jenkins
Armey	Emerson	Johnson (CT)
Baker	English	Johnson (SD)
Balenger	Erdreich	Johnson (TX)
Barnard	Espy	Johnston
Barrett	Ewing	Kanjorski
Barton	Fawell	Kasich
Bateman	Fields	Klug
Bereuter	Fish	Kolbe
Bilirakis	Franks (CT)	Kyl
Bliley	Gallely	Lagomarsino
Boehler	Gallo	Lancaster
Boehner	Geren	LaRocco
Brewster	Gilchrist	Leach
Browder	Gillmor	Lehman (CA)
Bryant	Gingrich	Lent
Bunning	Goodling	Lewis (CA)
Burton	Gordon	Lewis (FL)
Byron	Goss	Lightfoot
Callahan	Gradison	Lipinski
Camp	Grandy	Livingston
Campbell (CA)	Green	Lloyd
Campbell (CO)	Gunderson	Long
Carr	Hall (TX)	Machtley
Chandler	Hamilton	Marlenee
Clinger	Hammerschmidt	Martin
Coble	Hancock	McCandless
Coleman (MO)	Hansen	McCloskey
Coleman (TX)	Harris	McCollum
Combest	Hastert	McCrery
Condit	Hatcher	McCurdy
Coughlin	Hayes (LA)	McEwen
Cox (CA)	Hefley	McMillan (NC)
Cramer	Henry	Meyers
Crane	Herger	Michel
Cunningham	Hobson	Miller (OH)
Dannemeyer	Holloway	Miller (WA)
Darden	Hopkins	Molinari
de la Garza	Horn	Mollohan
DeLay	Houghton	Montgomery
Derrick	Hubbard	Moody
Dickinson	Hunter	Moorhead
Dooley	Hutto	Moran
Doolittle	Inhofe	Morella
Dornan (CA)	Ireland	Morrison

Mrazek	Ridge	Spence
Myers	Riggs	Stallings
Neal (NC)	Ritter	Stearns
Nichols	Roberts	Stenholm
Nussle	Roemer	Stump
Olin	Rogers	Sundquist
Orton	Rohrabacher	Tanner
Owens (UT)	Ros-Lehtinen	Tauzin
Oxley	Roth	Taylor (MS)
Packard	Roukema	Taylor (NC)
Parker	Rowland	Thomas (CA)
Pastor	Santorum	Thomas (GA)
Patterson	Sarpallus	Thomas (WY)
Paxon	Saxton	Thornton
Payne (VA)	Schaefer	Upton
Penny	Schiff	Valentine
Peterson (FL)	Schulze	Vander Jagt
Peterson (MN)	Sensenbrenner	Vucanovich
Petri	Shaw	Walker
Pickett	Shuster	Walsh
Pursell	Slusky	Weber
Quillen	Skeen	Weldon
Rahall	Skelton	Wolf
Ramstad	Slattery	Wylie
Ravenel	Smith (OR)	Young (AK)
Ray	Smith (TX)	Young (FL)
Regula	Snowe	Zeliff
Rhodes	Solomon	Zimmer

NOT VOTING—34

Ackerman	Gaydos	Perkins
Annunzio	Gekas	Roe
Anthony	Hall (OH)	Savage
Bevill	Hefner	Scheuer
Bontor	Horton	Staggers
Broomfield	Huckaby	Tallon
Bustamante	Jones (GA)	Traxler
Conyers	Kolter	Whitten
Davis	Lehman (FL)	Williams
Dwyer	Lowery (CA)	Yates
Dymally	Martinez	
Fascell	Mavroules	

□ 2257

Mr. RAHALL and Mr. MOODY changed their vote from "yea" to "nay."

So the conference report was rejected.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

DIRECTING SECRETARY OF HEALTH AND HUMAN SERVICES TO EXTEND MEDICARE WAIVERS GRANTED TO TENNESSEE PRIMARY CARE NETWORK

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2901) to direct the Secretary of Health and Human Services to extend the waiver granted to the Tennessee Primary Care Network of the enrollment mix requirement under the Medicaid Program, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore [Mr. McDERMOTT]. Is there objection to the request of the gentleman from California?

Mr. BILIRAKIS. Mr. Speaker, reserving the right to object, while I will not object, I take this reservation for the purpose of asking the gentleman from California [Mr. WAXMAN] to explain the bill.

Mr. WAXMAN. Mr. Speaker, will the gentleman yield?

Mr. BILIRAKIS. I yield to the gentleman from California.

Mr. WAXMAN. Mr. Speaker, this legislation was introduced last Friday and passed the Senate the same day under unanimous consent. The purpose of the bill is to extend Medicaid waivers that apply to the Tennessee Primary Care Network through January 1, 1994.

Under current law, Federal Medicaid matching funds are not available for managed care plans which, after 3 years of operation, have a commercial enrollment of less than 25 percent of their total enrollment. The purpose of this requirement is to assure that prepaid plans that participate in Medicaid deliver a product of sufficient quality that at least one out of four of their enrollees are private patients.

The Tennessee Primary Care Network is a not-for-profit HMO that contracts with primary care physicians, community health centers, and specialists in 14 counties throughout the State to provide basic care to Medicaid beneficiaries. Enrollment is voluntary, and the Network currently serves about 26,000 individuals, about 97 percent of whom are Medicaid-eligible mothers and children.

In 1989, the Congress extended a waiver of the 75/25 rule to the Network through the period ending June 30, 1992. I am advised that the Network has been unable to meet the 25 percent commercial enrollment requirement over the past 3 years because the State's Medicaid capitation rates have been low, leaving it without sufficient capitalization to enable it to market to commercial accounts. This problem has now evidently been resolved.

Under the circumstances, I think it is appropriate to extend the Network's current waivers through January 31, 1994. This extension is very similar to that received by the Dayton Area Health Plan in Public Law 102-276, which we enacted earlier this spring. It will give the Congress an opportunity to review Medicaid managed care policy and legislate permanent reforms. This review has already begun in the Subcommittee on Health and the Environment, which yesterday held a hearing on financial integrity issues in Medicaid managed care.

If we fail to pass this legislation, the Network will no longer be able to function as an HMO. There would be no point to such disruption. It is my understanding that the minority has no objection to this unanimous consent request and that the administration has no objection to the bill. I urge its adoption.

Mr. BILIRAKIS. Mr. Speaker, reclaiming my time, I strongly support the request of the gentleman from California [Mr. WAXMAN].

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2901

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF MEDICAID WAIVER FOR TENNESSEE PRIMARY CARE NETWORK.

Section 6411(f) of the Omnibus Budget Reconciliation Act of 1989 is amended by striking "June 30, 1992" and inserting "January 31, 1994".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WAIVING ALL POINTS OF ORDER AGAINST CONFERENCE REPORT ON S. 1306, ADAMHA REORGANIZATION ACT

Ms. SLAUGHTER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 479 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 479

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (S. 1306) to amend title V of the Public Health Service Act to revise and extend certain programs, and for other purposes. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read when called up for consideration.

□ 2300

The SPEAKER pro tempore (Mr. McDERMOTT). The gentlewoman from New York [Ms. SLAUGHTER] is recognized for one hour.

Ms. SLAUGHTER. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from California [Mr. DREIER], pending which I yield myself such time as I may consume.

During the consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 479 is the rule providing for the consideration of the conference report on S. 1306, the Mental Health and Substance Abuse Services Improvement Act of 1992. This rule is identical to the previous rule on the conference report which was considered on May 28. On that day, the House recommitted the conference report to address concerns over needle exchange programs. Controversies surrounding this issue have been resolved, and I am pleased to report that the revised conference report before us is consistent with the motion to recommit.

House Resolution 479 waives all points of order against the conference report and against its consideration. This rule is necessary so that we may expeditiously bring up the report which received unanimous bipartisan support by the conferees.

This legislation, Mr. Speaker, is the culmination of several years of negotiations over the reauthorization of Federal substance abuse and mental health programs. The agreement reor-

ganizes the current block grant structure to be more responsive to the needs of communities in fighting substance abuse, and in responding to mental health needs. The measure authorizes funds for fiscal years 1993 and 1994, and creates several new worthwhile programs to offer help to children and families who suffer the effects of drug and alcohol abuse.

Mr. Speaker, this conference report is a carefully crafted compromise. The rule was voted out of the House Rules Committee by voice vote, and I urge my colleagues to adopt it.

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, when we took up this rule in the Rules Committee early this month, I offered a motion that was subsequently defeated on a party line vote. The motion would have denied waivers against scope violations in the conference report.

Apparently, neither the House nor Senate passed bills included the interim methadone maintenance provisions or the funding allocation formula contained in the conference report.

Mr. Speaker, I support the reorganization of the Alcohol, Drug Abuse and Mental Health Administration, as well as its many important substance abuse, treatment and prevention programs. However, I do not believe that a conference committee is the appropriate place to be writing new and frankly, controversial legislation.

For this procedural reason, I oppose this rule.

Mr. Speaker, I yield 6 minutes to my very good friend, a hard-working member of the Committee on Energy and Commerce, the gentleman from Florida [Mr. BILIRAKIS].

Mr. BILIRAKIS. Mr. Speaker, I thank the gentleman from California for yielding this time to me.

Mr. Speaker, I question the process which leads us to this point. I question the procedures that have been used to try and pass this measure without the opportunity for effective dissent, without the opportunity to challenge specific provisions within the conference.

I believe this is a violation of my rights as an individual Member of this body. I do feel that my colleagues—even those who support the underlying measure—should question why we should allow this body to operate in a fashion which seeks to avoid direct votes on measures of importance to individual Members or, indeed, entire state delegations.

Why do we need this restrictive rule to shut off debate on points of order? Why do we need to insulate these provisions from legitimate challenge? Why cannot these provisions be questioned—do we really live in such fear of the standing rules of this body that we must avoid their every implementation?

Why must the door be barred to objection? Why must the Rules Committee act as an insurmountable gatekeeper to enforcement of the rules?

Let us defeat this rule. Then my colleagues can fairly decide whether I am right or wrong. My colleagues can then decide whether my objections have merit. They can use their own judgment and decide.

But this rule will hear none of it. This rule seeks to waive legitimate points of order—to prevent everyone in this body from hearing and voting on legitimate objections. This rule, in effect, says that the House cannot be trusted to operate under the very standards that we adopt at the beginning of each Congress.

Why, Mr. Speaker, do we ever bother to have rules or debate when we simply waive them at the slightest inconvenience? Why do we bother each January to solemnly vote in favor of standing rules if they are not worth the paper they are written on?

Yes, my major objection to this bill lies in the impact it has on my State and Congressional district. But who among us does not fight for their home interests?

I believe my colleagues should seriously consider how much further this House will suffer collectively when we operate under restrictive procedures and when we seek to ignore the very standards we set for ourselves. If we will not obey the rules we set, who will respect the laws we pass?

My situation is not unique. We all know the number of closed and modified closed rules that we approve. One can indeed argue that some limits to debate and amendments are necessary to allow this body to function. The Rules Committee certainly has a necessary purpose.

But it is no mistake that the Rules Committee is stacked in favor of the majority party. It is no secret that there are nine majority members and four minority members.

Thus, our very essence as a legislative body, the opportunity for debate and amendment is channeled through the most unrepresentative committee in Congress. I suppose this is a prerogative of power, but make no mistake, it is the plain, bold, unadulterated exercise of power that is used when restrictive rules are applied.

That power also lies within the conference committees. These bodies may act to accept, reject or modify provisions which the Members of this body have already approved. This is obviously necessary under our bicameral procedures.

However, the sole check on this power lies within our ability to enforce the rules of the House when a conference report is presented on the floor for consideration. The sole check on the work of the conferences lies here, now, in the consideration of this rule.

If we shut the doors to the conference and then shut the doors to challenging its work product, what option do any of us have? If we are standing outside the door when the deal is cut, then are we forever left in the cold?

I perhaps have a more democratic vision of this institution. I see it as a place where competing interests can be debated, judged, and fairly voted on. I view our institution as an example to the rest of the world in the free exercise of debate and resolution.

All this is stood on its head when we ignore our own rules. We might as well tear up the civics textbooks that we use in our schools and replace them with copies of "The Prince." Rules don't matter. Only expedited procedures designed to cut off all points of order. The end justifies the means.

This may not be the most important bill the House will consider this session—but I want to ask my colleagues whether we should allow yet another waiver? Will we allow just another exception, because of perceived time or necessity?

I urge my colleagues to consider this point carefully. Today, my home State is being hurt—tomorrow it could be your State or your district. It could be your legislative work product which is simply deleted or altered in conference and then shielded by an action of the Rules Committee.

Stand in my shoes for a minute. Look into the mirror and ask if this is fair? Ask again, if this is how the people's House, how the exercise of democratic government should proceed?

Ask yourself whether this body should operate in an orderly fashion within generally understood rules, protective of minority rights—or shall we succumb to the moment, the pure force of the majority, the knowledge that our ox is not being gored, at least not this time.

Ask precisely why we must waive our own procedures and shirk from the very rules we enact. Ask why this is standard procedure. Why we do this time and time again.

I urge the Members of this body, in the interest of fairness and equity, not to adopt a rule for this legislation that will waive all points of order. Let us not take the easy way out. Let us insist that we follow the procedures we agreed to and respect the institution we are sworn to serve.

Please vote for fairness and for defeat of this rule. It is but one rule on one bill—but I believe it is symbolic of the disintegration around us, the avoidance of discipline, the breakdown of our institution. Vote no and let us start again.

□ 2310

Ms. SLAUGHTER. Mr. Speaker, for purposes of debate only, I yield 5 minutes to the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. Mr. Speaker, I reluctantly rise in opposition to this rule. The members of the committee worked very hard to bring this legislation to the floor. But somehow there is a very controversial issue that is involved in the bill. It was not presented to us in the House, and it was not debated. It never came before the Senate and it was not debated. But somehow the conferees, in their wisdom, have decided that this controversial method of treating addicts should be placed in the bill, and that when the conference report comes up, the rule does not allow for Members to even raise a point of order on this issue that every professional treader of drug addicts would believe is not the best thing to do, and indeed is a dangerous thing to do.

Mr. Speaker, what I am talking about is what they call interim methadone maintenance, or minimum maintenance with methadone. I am not an expert in this, but it goes unchallenged that methadone is a drug that blocks the need for people taking heroin. It is taken orally, but it is more addictive even than heroin. And the fact of the matter is that in most all of our overdose cases that are in the emergency ward, methadone is included as one of the drugs that has been abused.

The Drug Enforcement Administration as well as the FDA are constantly investigating in the city of New York and other major areas where we have a lot of drug addicts the diversion that takes place in these methadone clinics where they do not have counseling, they do not have job training. The only thing they do have are people that may be trying to reduce their habits, and allowing the Federal Government to become the legalized drug peddler.

We had here in Washington a question raised by someone that was in the administration, Dr. Herbert Kleber, and he sent a letter, and I sent copies to my colleagues. He is the medical professor of psychiatry and director of the Division of Substance Abuse of the New York State Psychiatric Institute, but Dr. Herbert Kleber was also the former Deputy Director of Demand Reduction in the White House Office of Drug Control Policy, and is a widely respected drug abuse treatment researcher. He wrote:

I have read your letter of May 18th to your colleagues concerning S1306 and concur with your recommendations to vote against S1306 because of the interim methadone maintenance (IMM) provision. IMM is not only a bad idea in itself—bad treatment can be worse than no treatment—it also carries the risk of undercutting effective treatment. Given the budget difficulties of many States, it is quite conceivable that full service slots will be sacrificed to expand IMM slots. This would worsen rather than improve the AIDS situation. We need to expand and improve the quality of drug treatment and leave the quick fixes to addicts. When I was deputy director of ONDCP I opposed interim methadone maintenance. It was a mistake then; it would be a mistake now.

How in God's name did the conferees think that they had raised themselves to the high level of expertise that they can challenge providers in this area? It is one thing to have an issue raised, debated and to lose on the floor. It is another to have the issue not be raised in the House, not be raised in the Senate, and then have the rule to say it will not be raised at all.

Mr. SHAW. Mr. Speaker, will the gentleman yield?

Mr. RANGEL. I yield to the gentleman from Florida.

Mr. SHAW. Mr. Speaker, I would like to agree with the gentleman from New York. There is nobody in this House that has heard more testimony or is more knowledgeable in the area of drug treatment than my colleague, the gentleman from New York [Mr. RANGEL].

This is a very controversial issue. There is a lot of divergence of opinion on this particular issue, and this should not be protected by some rule and protected from the hearing process.

I compliment the gentleman from New York, and would encourage all of my colleagues to join with him and with me in defeating this rule.

Mr. RANGEL. I thank the gentleman.

I thank the gentlewoman from New York for yielding me the time.

Mr. DREIER of California. Mr. Speaker, I am happy to yield 2 minutes to the gentleman from Texas [Mr. DELAY] another opponent of the rule.

Mr. DELAY. Mr. Speaker, I want to congratulate the chairman of the Select Committee on Narcotics Abuse and Control for showing once again why he is such a distinguished Member of the House. I regret that the hour is so late that Members did not hear the presentation by the chairman about this very controversial issue.

I think it is unfortunate that Members may come to the House floor and look at the title of this bill and assume that it is a good bill, and assume that they can vote for it and feel comfortable about it. Yet, as the chairman so aptly points out, there is great controversy, and frankly the chairman gave my speech that I was about to give on this very controversial interim methadone maintenance program for drug addicts.

Members are not going to realize when they walk onto the floor of this House that if they vote for this rule they will be voting for addicting drug addicts, and if you do not have a program whereby the maintenance program is administered very closely with a lot of rehabilitative and counseling services closely connected to the methadone maintenance program, we would be just shifting addicts from being addicted to heroin to being addicted to methadone. And I do not think members of this House will want to vote in that regard.

I just hope that we will have our wits about us when we finally vote on this

rule so that we can inform Members in a very quick and hurried way that they will be, in voting for this rule, voting for a very controversial program. I think it is really unfortunate, very unfortunate, and an abuse of the conference committees of this Congress to stick something like this in this conference report. I am sure the Members were not trying to hide it, but to stick it into a bill that a lot of Members would want to support, and not have the opportunity to debate it on this floor.

So I urge Members on both sides of the aisle to vote against this rule so that we can send it back and correct the problem.

Ms. SLAUGHTER. Mr. Speaker, for purposes of debate only, I yield 10 minutes to the gentleman from California [Mr. WAXMAN].

Mr. WAXMAN. Mr. Speaker, I thank the gentlewoman for yielding time to me.

Mr. Speaker, let me explain the situation before us. Our committee has worked for years on this legislation.

The alcohol, drug abuse and mental health program includes all of these programs, the block grant funds that flow to the States as well as research efforts into alcohol, drug abuse and mental health. There are a number of issues. We worked very hard on those issues, and I want to indicate to Members that the conferees on both the House and Senate side, both the Republican and Democratic side, every conferee agreed to support this bill.

□ 2320

We did not have dissent among the conferees. Now, when the bill was presented to the House some time ago, an issue arose about whether States ought to be permitted to use any of their funds for a needle-exchange program for IV drug abusers.

There was a motion to recommit which was passed.

The conference came back in and changed that provision. That was the only instruction we had.

Now, we have come back with the conference report. In this conference report, you cannot make everyone happy.

Some States wish they had more money allocated to them. Other States feel that they are being shortchanged.

We tried to balance it out as best we could.

I know there are some States that feel that they are aggrieved. I regret that fact. But if you take to give to them, you must reduce the amount that would go to other States.

Let me address the issue of this methadone interim program. When the bill left the House originally, the bill provided that if there is an IV drug abuser who wants to be treated in a drug clinic, a slot must be made available for that individual right away. Be-

cause what will happen if there is no drug treatment slot for that individual? You can imagine if someone comes in and says, "I am addicted to heroin, and I want to break this habit. Let me come into this drug treatment program," and he is told, "Come back in another month," well, you will never see that individual again.

The House bill provided that a drug treatment slot had to be available. When we got into conference, a number of States told us they did not think they could make it available to everyone on demand, and so we agreed to an interim step that the States, at their option, had to provide certain interim provisions, and they might well choose methadone as an interim method. They otherwise could provide counseling and other ways to deal with these people until they can get a full-time drug treatment or a full drug treatment slot available. But to turn someone away for fear that they may become addicted to methadone and tell them to come back in another month makes no sense at all.

We have another epidemic, aside from the use of drugs. We have the problem of AIDS. And if people are going to use IV drugs and share those drugs and have sexual relations after getting the HIV virus, that AIDS disease is going to spread.

The National Commission on AIDS recommended strongly that we have interim steps, and they said interim steps including, at State option, use of methadone.

Now, if this rule is defeated, let me explain the procedure. If the rule is defeated, the conference report would be brought up and subject to a point of order, technically because some of these issues are outside the scope, and a point of order would be sustained, and the conference report would fall, and the whole bill would be defeated.

The scope issue is an interesting one. In the original bill they spelled out an allocation formula in terms without dollars, and in the bill that came back we spelled out dollars. There is a question of whether, by spelling out dollars as opposed to the formula, even though it would come to the same conclusion, perhaps there is something that would be outside the scope and, therefore, we need a rule that will protect this bill for consideration in the House.

If people do not like the conference report, they can argue on the merits on that conference report and urge that it be defeated. What we see here, by those arguing to defeat this rule, is a way to use the procedures of this institution to defeat the bill and not let the membership come and hear the arguments.

Mr. GREEN of New York. Mr. Speaker, will the gentleman yield?

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

Mr. GREEN of New York. Mr. Speaker, I was extremely disturbed in my of-

fice as I heard this debate on methadone maintenance. I think it ought to be made very clear to this House that methadone maintenance is a clearly valid method of treating people with opiate addiction. It is not perfect. And, yes, I know that there are people who enter methadone maintenance programs and divert the methadone they get to the street. No one is ignorant of that who has a district which has an opiate addiction problem.

But the fact of the matter is there are hundreds of thousands, if not over a million, Americans who are in methadone maintenance who are leading normal lives, holding jobs, raising families, and living in a perfectly functional way after having a heroin addiction.

So to hear this criticism of methadone maintenance on this floor is something about which I am very concerned. Yes, I understand that drug-free treatment is a more ideal situation, but the fact of the matter is if you look at the records of the recidivism rate for drug-free treatment, it is very high. It depends, of course, on how you describe the intake, what the percentage of successful recipients is.

Some programs claim 50 or 60 percent, but the reality is that if you look at everyone who walks into the door in a drug-free treatment system and you really count everyone who comes in including those who walk out a day or two later, drug-free treatment is successful in perhaps 30 percent of the cases at this point.

Mr. WAXMAN. I thank the gentleman for his comment.

I think the idea would be to have people become drug free. But if they cannot have an opportunity to become drug free, I think if the State of New York, for example, wants to provide an interim methadone maintenance program so perhaps they will not be using IV drugs and sharing it and spreading the AIDS disease, I think the State ought to be able to do that.

Mr. GREEN of New York. If the gentleman will yield on that, I made exactly this point to the National Commission on AIDS several years ago when the issue came up, and we did not have enough money to provide the full level of social services that I would have liked to have seen in the methadone clinics, that it was more important, at least to get people out of using the needles and into the methadone clinics so they were not transmitting AIDS. And, yes, ideally if we had enough money, we ought to have the full level of social workers that the Department of Health and Human Services wanted, but at least get these people off the needles and into a situation where they were not using the needles and where AIDS was not being transmitted.

Mr. WAXMAN. That was the recommendation of the National Commission.

Mr. RANGEL. Mr. Speaker, will the gentleman yield?

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

Mr. RANGEL. Mr. Speaker, I do not know who the gentleman from New York was debating or what he heard that annoyed him, but I do not argue with anything that he has said.

I am not here opposing methadone maintenance programs. What I am opposing on this floor is that what was put into this bill by the conferees.

The chairman of the committee admitted that this was not discussed in the House bill or the Senate bill, but they decided what would be best for the poor addict when they could not give the supportive services.

I do not think the gentleman from New York should say what he thinks is in the addict's best interests. What we are talking about in this bill that has not been debated that, at the very least, is controversial is passing out methadone without the supportive services the gentleman is talking about.

Now, it can very well be that with supportive services that we all would want drug free, that this addictive drug should be passed out under supervision.

I have seen these zombies that are receiving these drugs without counselors, with doctors that do not even see them, that just give them prescriptions to pick it up from other pharmacists in the neighborhood.

If you want to sweep it under the rug, if you want to say you just do not care what happens to these people, if you want to pass out drugs that are more addictive than heroin, you can do it, but let the issue be debated here.

Mr. WAXMAN. Reclaiming my time, let me indicate that the proposal is for interim use at the option of the State, and it seems to me that the alternative is to tell these people, "Come back in another month." But we do say do something in the interim at your choice including this as one option, and then after that, there must be a drug treatment slot available.

Mr. RANGEL. The death penalty is at the option of the State. What gives you the right, as a conferee, to give the State the option to pass out drugs without supportive services?

Mr. WAXMAN. What gives you the right to say that they should not be allowed to use methadone if they choose to at the State level as opposed to telling somebody to go on the streets and continue to use heroin and share the needles and continue the disease to be spread?

□ 2330

Mr. Speaker, the gentleman could be right. The gentleman could be 100 percent right. The only thing I am sharing with the gentleman and my colleagues is that you have no right to allow this controversial issue to be debated on

this floor and not to give us the right to vote for it.

Mr. WAXMAN. If we give a rule for this bill, we will debate it on the floor. If we defeat the rule, then the bill will fall completely.

Mr. DREIER of California. Mr. Speaker, I said in my opening remarks this was a slightly controversial issue, and in that spirit, I am happy to yield 3 minutes to my friend, the gentleman from New York [Mr. GREEN], if he would like to respond to some of the things that have been said.

Mr. GREEN of New York. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I have no quarrel with the position of my friend, the gentleman from New York [Mr. RANGEL] that in the best of all possible worlds one would have the full panoply of social workers and other health professionals in every methadone clinic, but the real world that I looked at when I saw what was happening in my district was that either you are going to have people out on the street shooting up and transmitting AIDS, or else you are going to have them in methadone clinics taking a pill with orange juice and not contracting AIDS, and yes, the situation is not going to be ideal because we have not provided enough funding, and as a result the methadone clinic did not have the kind of staff that you would like to see it have and the gentleman from California would like to see it have and I would like to see it have, but we had a very hard choice, and the very hard choice was do you let more people into the clinic to get methadone and get them off the streets so they stop shooting up, or do you leave them on the streets shooting up and transmitting AIDS.

Given those choices, I want them in the clinic getting their methadone with the orange juice and not shooting up; and yes, if you find the money to provide the staffing for those methadone clinics, we all want that. We are not in disagreement with that, but given those choices, the choice I make is having them get the methadone, rather than shooting up and transmitting AIDS.

Mr. RANGEL. Mr. Speaker, will the gentleman yield on that?

Mr. GREEN of New York. Yes, of course, I yield to my friend, the gentleman from New York.

Mr. RANGEL. Mr. Speaker, my friend, the gentleman from New York, no one is asking what your choice or my choice is. The way I thought this body was supposed to function is that if a decision is going to be made and if indeed those who are in the field say that they challenge some of the things that the chairman has said and if I have letters from people in the administration that say that this is deadly and you are not dealing with people sometimes who are looking for treat-

ment, they are looking to get high with methadone.

Does the gentleman not think that at least the Members of this body should have had the opportunity to have debated it, to get the benefit of hearings?

What we are saying today is some conferees have decided that this is in the best interests of the country.

Mr. GREEN of New York. Mr. Speaker, if I may reclaim my time, this is an issue that I have debated, so I am well aware of it. It has been well considered by the National Commission on AIDS, so I do not think this is a new issue for this body.

Mr. WAXMAN. Mr. Speaker, will the gentleman yield?

Mr. GREEN of New York. I yield to the gentleman from California.

Mr. WAXMAN. Mr. Speaker, I find these arguments a little disingenuous. If the rule is adopted, we will have a chance to debate this issue and the Members if they feel that this issue is one with which they disagree so strongly that they want to vote against the whole conference report, they will have the opportunity to do it. If we do not adopt the rule, however, we will not have any debate at all.

The gentleman from New York [Mr. RANGEL] or someone else can come up and make a point of order on a technical scope question and the whole thing has to be destroyed and all that effort and all this bill comes to nought. No one will get a chance to discuss it because the whole bill will fall, so all we are asking is the opportunity for a debate so that Members can work their will.

Mr. DREIER of California. Mr. Speaker, I yield 3 minutes to the very distinguished gentleman from Florida [Mr. GOSS].

Mr. GOSS. Mr. Speaker, I thank the distinguished gentleman from Lavern, CA, for yielding me this time.

I rise in opposition to the rule and to the conference report. I would like to associate myself with the remarks of my colleague, the gentleman from Florida [Mr. BILIRAKIS], on the subject of the rule.

What I would really like to do is ask my colleagues tonight, even though it is late, to reflect for a moment on the import of their vote on this legislation. Notwithstanding, some debate has already gone forward, and I think there should be more debate, I think the conclusion is without doubt that it should be defeated.

A "yes" vote means you feel comfortable handing out a highly addictive substance, methadone, and even if you hand it out with Florida orange juice, there is some doubt about the outcome of what we are really doing. When there are no treatment beds available for narcotic addicts, when we go to methadone, what have we really done? Putting aside the concerns that we have heard here tonight in the debate

about this, I would like to ask if that is a minimum treatment measure for drug addicts, where is the minimum treatment measure for the State of Florida in this legislation which is an underlying concern I have?

Now, pardon my parochiality about this, but I will tell you, if this bill passes and this conference report is accepted, 8 months into this fiscal year funds which the State of Florida has already committed to maintaining treatment services are going to be reclaimed. We seem to have ended up at the bottom of the barrel in Florida. Florida ranks number 56 out of 56 States and territories in return on our Federal tax dollar. That is another story, but if this conference report is adopted and we go forward, 3,436 Florida residents will go without any services at all; 1,383 people will go without residential services that they have depended upon. Sixty-four percent of these patients are involved in our criminal justice system. What happens to them? They go back out into the community and probably will end up resuming bad habits and possible criminal activity.

Thirty-two percent of all clients are at risk of or already infected with the HIV virus, and they, too, will be back in the community, probably sharing injection equipment and putting thousands of others at risk.

This is not a question of a hiring freeze or halting new construction. This is retroactive, and in my view it is stupid.

This bill will yank the rug out from underneath thousands of people who with the help of the Federal dollars that are in this legislation, these folks are beginning to help themselves. I do not think we should deny them the chance to turn their lives around. I do not think we should assign them a lower priority for help than those who are not trying quite as hard to go straight, and I do not think we should send a signal that we penalize people who are trying to get a hold on their lives while we reward those who will not accept full responsibility for their actions.

I think the appropriate thing to do is to vote no on the rule and get rid of it; but if the rule passes and we have a debate, then I hope we vote no on the conference report and get back to the business that we are doing fairly well in Florida.

Mr. DREIER of California. Mr. Speaker, I am happy to report to my colleagues that I have no further requests for time. I do urge a no vote on this rule in light of the statements that have been made here, and I yield back the balance of my time.

Ms. SLAUGHTER of New York. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. (Mr. McDERMOTT). The question is on the resolution.

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

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

The SPEAKER pro tempore. Pursuant to clause 5, rule I, the vote is postponed until tomorrow.

The point of order is considered withdrawn.

□ 2340

A TRIBUTE TO WESTVACO CORP.

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

Mr. HUBBARD. Mr. Speaker, I am very pleased to pay special tribute to Westvaco Corp. for being selected by the U.S. Department of the Interior as the 1992 winner of the prestigious National Wetlands Conservation Award. The award was bestowed upon Westvaco for the establishment of the Westvaco wildlife management area in western Kentucky.

My administrative assistant, Lorraine Grant, and I were privileged to attend this ceremony today as guests of Westvaco officials Ned Masseur and Richard K. Boyd, Jr.

Westvaco Corp. has a long and distinguished history of environmental stewardship in the western Kentucky district which I represent, the State of Kentucky and in other States where the company operates. Accepting the National Wetlands Conservation Award on behalf of Westvaco at the awards ceremony held today at the Department of the Interior was Mr. John A. Luke, president and chief executive officer.

I am pleased to submit for the RECORD the following comments offered by Mr. Luke upon accepting the award presented by Hon. J. Michael Hayden, Assistant Secretary, Fish and Wildlife and Parks.

[From John A. Luke's Acceptance Speech, Tuesday, June 30, 1992]

Thank you, Secretary Hayden, for your very kind introduction. The award you have presented to Westvaco today adds luster and distinction to our long-standing programs of broad and responsible environmental stewardship. I accept it on behalf of all the men and women of Westvaco who have worked so diligently to make the Westvaco Wildlife Management Area a reality.

This wildlife management area is very important, I know, to Kentucky, the surrounding states, the area's communities, and sportsmen and outdoor enthusiasts nationwide. It stands as a vivid example of the numerous innovative and successful conservation projects that Westvaco has been involved in during its more than 100-year history.

I intend to focus my brief remarks on the depth of our commitment to the wise stewardship of our natural resources, the environment as a whole, and our wildlife management area in western Kentucky.

Westvaco's position as a major forest products company has always made it both good business and socially responsible "to have an unyielding commitment to the conservation of all of our natural resources. In fact, Westvaco owns 1.5 million acres of timberland in this country and Brazil. Now, before any eyebrows go up, let me hasten to add that our intensively managed forests in Brazil lie in a temperate zone more than 1,000 miles away from the nearest rain forest. We do not make paper from rain forest wood!

We manage all of our forests with the most advanced technology and sensitivity to ensure their multiple use. Wildlife finds a genuinely hospitable home in our woodlands, people enjoy a variety of recreational opportunities, and we grow and harvest wood to make our products and to provide good jobs—all in very compatible fashion with the most careful attention to the environment.

Healthy and rapidly growing forests are particularly important contributors to the environment, and our forests meet this standard. We plant more than two trees for every one we cut, and our young, vigorous forests are highly productive oxygen factories, consuming in that process far more carbon dioxide than we emit from our manufacturing operations. This is an environmental fact of global importance and one in which we take a very full measure of special pride!

For decades Westvaco has given priority to its wildlife and natural resource projects in the regions where we work—in South Carolina, Tennessee, Illinois, Virginia, West Virginia, and Kentucky.

We have proactively worked at the reintroduction of wild turkeys, the protection of bald eagle nest sites and red-cockaded woodpecker colonies, the management of deer, small game, and non-game populations, and the enhancement of trout streams, to mention just a few. We have also taken special care to protect important natural areas, historic sites, scenic values, and a variety of other uncommon areas on our lands. A very recent example is our participation in the program to protect South Carolina's Ashepoo-Combahee-Edisto River Basin, one of the East Coast's largest remaining, undeveloped, coastal estuaries, where Westvaco has 17,000 acres of forests.

Our proactive approach to the environment does not stop at the forest's edge. In fact, Westvaco has a long and outstanding record of environmental performance, and we look on ourselves as full-fledged environmental practitioners. We believe deeply in sound science, and we believe deeply in sound environmental practice.

We know that safe and healthy workplaces, communities, and products are essential to the conduct of a successful business, and we simply do not compromise. We would not be so naive as to profess perfection in these complex and demanding areas, but you can be assured that our commitment to health, safety, and the environment is absolute.

Of note is the fact that in 1991, Westvaco joined EPA's voluntary pollution prevention initiative known as the 33/50 project. While a significant number of American companies accepted the challenge to reduce certain emissions by 33 percent in 1992 and 50 percent in 1995, only a very few, including Westvaco, also voluntarily went beyond EPA's request. We plan to achieve our 50 percent reduction well ahead of schedule, and we have also voluntarily expanded our commitment to include the total volume of releases of chemicals reported by Westvaco under Section 313 of the SARA Title III.

With a corporate commitment to the environment born long before the EPA, Westvaco has invested more than \$420 million in leading edge environmental systems across the company. We are adding to those investments at a rate of \$35 to \$50 million a year, and we spend some \$50 million each year to operate these systems.

This environmental overview underscores that Westvaco's Wildlife Management Area is just another step in a long progression of activities that have positioned our company in the vanguard of American industrial performance. Establishment of the Wildlife Management Area, close by our Wickliffe paper mill, clearly demonstrates the harmony that can be achieved between manufacturing, forestry, and sound environmental practice.

There is no better testament to that fact than today's award which symbolizes the compatibility between the North American Waterfowl Management plan and advanced industrial practice. The waterfowl plan is the largest conservation program of its kind in the world—a multinational effort by the United States, Canada, and Mexico to reverse the steeply declining trend in waterfowl population. Success will require multi-state as well as international cooperation, and it will require, as in our case, the voluntary participation of the private sector with the public sector.

At present, our Wildlife Management Area in western Kentucky includes about 3,000 acres of Westvaco's property located along the Mississippi River. The area serves as both a key wintering and migrating habitat for waterfowl as well as an important commercial forest resource in that segment of the Mississippi Flyway.

The estimates are that at peak levels this habitat will shelter some 60,000 ducks and 5,000 to 10,000 Canadian geese—maybe even more, and we have already seen indications that these predictions are well within reach. The site's potential will be enhanced even more by our work this summer, as we will install well and water control devices to manage moist soil units.

Our project in Kentucky is a joint venture, and each of our partners will play a major role in its success. We are proud to join together with the U.S. Fish and Wildlife Service and other federal agencies; the Kentucky state government and its agencies; the Kentucky local governments including those of Carlisle, Hickman, and Ballard Counties; the area's sportsmen; and our local and adjacent landowners in this environmental endeavor.

Our relationship with our major partner in this project—the Kentucky Department of Fish and Wildlife Resources—has been particularly gratifying and supportive. These professionals—Commissioner Don McCormick and his staff of biologists and administrators—have patiently and skillfully worked side by side with us to bring this project to its present state.

In closing, I would like to observe that our Wildlife Management Area is a superb example of what can be done when public wildlife agencies, conservation organizations such as Ducks Unlimited, and private enterprise team up for the protection and improvement of natural resources. It is our hope and our firm intention that this project will become a model for others throughout the country.

Thanks to the Fish and Wildlife Service for the honor bestowed on Westvaco today, and our thanks to one and all for helping to make this a very special day for Western Kentucky, for the men and women of Westvaco, and for all who believe in sound environmental practice.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MCDERMOTT). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Wednesday, July 1.

FEDERAL RESERVE BANK BRANCH MODERNIZATION ACT

Mr. NEAL of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4398) to remove outdated limitations on the acquisition or construction of branch buildings by Federal Reserve banks which are necessary for bank branch expansion if the acquisition or construction is approved by the Board of Governors of the Federal Reserve System.

The Clerk read as follows:

H.R. 4398

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 "Federal Reserve Bank Branch Modernization Act".

SEC. 2. ACQUISITION OR CONSTRUCTION OF FEDERAL RESERVE BANK BRANCH BUILDINGS.

The 9th undesignated paragraph of section 10 of the Federal Reserve Act (12 U.S.C. 522) is amended to read as follows:

"No Federal Reserve bank may authorize the acquisition or construction of any branch building, or enter into any contract or other obligation for the acquisition or construction of any branch building, without the approval of the Board."

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina [Mr. NEAL] will be recognized for 20 minutes, and the gentleman from Wisconsin [Mr. ROTH] will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. NEAL].

GENERAL LEAVE

Mr. NEAL of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill presently under consideration.

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

There was no objection.

Mr. NEAL of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill, the Federal Reserve Bank Branch Modernization Act, would remove the current limitation on the expenditures of Federal Reserve banks for the construction or acquisition of branch buildings.

The construction, expansion, or modernization of Federal Reserve bank

branch building is subjected to a cumulative ceiling of \$140 million. The Fed has now reached this ceiling, and cannot proceed with needed construction projects. A few branch buildings will soon need renovation, or new construction, because they are very old, in excess of 30 years old, and do not provide adequate types or amounts of space for check clearing and cash services, and other important services the Fed provides or sells to the financial sector.

The main function of Reserve bank branches is to provide services, such as check clearing, electronic funds transfers, and transfers of Government securities, to financial institutions and the Treasury Department. Under the Monetary Control Act, the Federal Reserve charges for such services. Thus almost all the expenditures for branch renovation or construction will eventually be recovered, since the cost of this construction is built into the pricing of such services sold through these branches. The renovation or construction must first take place, however, and that is constrained by the outdated limitation on construction costs now in the Federal Reserve Act. By removing this limitation, we will permit the Fed to provide important financial services in the most efficient manner.

Mr. Speaker, I yield such time as he may consume to the author of the bill, the distinguished gentleman from Alabama [Mr. ERDREICH].

Mr. ERDREICH. I thank the gentleman for yielding this time to me.

Mr. Speaker, under current law the Federal Reserve may not build or substantially improve any of the 25 branches of the district banks if the total aggregate value of the branch buildings in the country would exceed \$140 million. This limit has been effectively reached for some time.

The result is that the Fed is unable to renovate any of its branches to provide increased services. Removing the limit does not involve the spending of any Federal tax dollars. The Monetary Control Act requires that the activities of all Federal Reserve branch banks be self supporting, including the cost of the buildings. The services of these Fed branches include check processing, government securities processing, cash handling and other services required by the banking system.

By removing the dollar limit, the Board of Governors will be able to properly manage any renovation and will be able to anticipate the needs of the district bank branches. The Fed has told us that there are immediate needs at five locations across the United States—Nashville, San Antonio, Houston, El Paso, and Birmingham.

Mr. Speaker, I would also point out that this bill does not affect the buildings of the district banks, but only the branches of the district banks. The Federal Reserve Act has a dollar ceiling on the total value of all branches

and that is simply out of date. With the passage of the Monetary Control Act in 1980 the Fed was required to make the branches self-sustaining, and the need for a dollar limit as a control measure is now past. This, plus the oversight of the Board, will provide an adequate control on the buildings of the district branch banks. I might point out that the same language was approved by the other body in their version of the banking bill last year.

I urge all my colleagues to support this minor change to provide adequate servicing to our banking system.

Mr. ROTH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the remarks of the chairman, the gentleman from North Carolina [Mr. NEAL], and those of the gentleman from Alabama [Mr. ERDREICH], the author of the legislation, are right on target.

Mr. Speaker, I am pleased to join in recommending swift passage of this long overdue bill the Federal Reserve Bank Branch Modernization Act.

Testimony at hearings before our committee is to the effect that the present authority is nearly used up for building additions and replacing aging buildings.

The testimony reported the situation is increasingly urgent and that the Federal Reserve has asked politely and repeatedly for permission to make these improvements.

While the Congress has many urgent matters before it, this request deserves our serious, immediate consideration and attention.

This bill would remove the current cumulative ceiling of \$140 million, imposed in 1974, on Federal Reserve branch construction so as to allow procurement of the most efficient and up-to-date facilities.

The provisions of this bill have been long discussed and have substantial legislative history. In fact, legislation identical to this was passed by the Senate last year but dropped in the banking reform negotiations with the House.

There are no questions of establishing any new public policy here. This is a request for permission to proceed with greatly needed construction to improve existing and aging Federal Reserve branches in Birmingham, Nashville, Houston, San Antonio, and El Paso.

There are no taxpayers funds involved—only revenues earned by the Federal Reserve from selling services to banks and others and from interest collected on Government securities acquired in open market activities.

There is no budget impact because the cost of such construction is factored right into the prices the Federal Reserve charges for its services to banks and others.

Futhermore, money expended for these improvements must be approved

by the Federal Reserve Board, which reports directly to Congress through our committee. The spending is subject to General Accounting Office audits as Congress may require.

Mr. Speaker, I have many questions and iconoclastic views on the Federal Reserve. For example, frankly, I believe the system should be more fully audited. The Federal Reserve System should be carefully monitored.

These issues, however, are not relevant to this bill. This legislation is solely to allow the Federal Reserve System to update its branches' facilities.

Mr. Speaker, I urge my colleagues to join in passing this legislation.

Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio [Mr. WYLIE], the ranking member of the Committee on Banking, Finance and Urban Affairs, but first I must say that this bill must be passed because it also affects San Antonio, TX, and we cannot overlook San Antonio when we deal with banking legislation.

Mr. WYLIE. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, the gentleman from Wisconsin [Mr. ROTH] really added the very important caveat there at the end.

Mr. Speaker, I urge strong support for this so-called Federal Reserve Bank Branch Modernization Act. H.R. 4398 is important to ensure that the Federal Reserve is able to procure the most efficient and up-to-date facilities for its branch offices. The Federal Reserve Act currently places a cumulative ceiling of \$140 million on Federal Reserve branch construction. H.R. 4398 would remove this restriction on the acquisition or construction of branch banks by the Federal Reserve.

Federal Reserve Board members, Wayne Angell and Edward Kelley, Jr., testified on May 27 before the Domestic Monetary Policy Subcommittee in support of this legislation. In their written testimony Messrs. Angell and Kelley stated that:

[t]he latest analysis of projected building needs from the Reserve banks suggest that either renovations, additions, or new facilities may be required in Birmingham, Nashville, Houston, San Antonio, and El Paso in the next 5 to 10 years. The remaining balance in the Branch Fund prohibits us from addressing these needs.

The Board members further stated that

“* * * it is important that our facilities remain efficient. The provisions in [H.R. 4398] would enable us to provide facilities for delivering services efficiently to the nation's financial institutions and the U.S. Treasury.”

It has been nearly 20 years since the Congress addressed the issue of branch construction for the Federal Reserve, and I believe it is time that we removed the current, outdated restrictions that prevent the Fed from obtaining the buildings it needs for its branch banks.

I would also point out that the cost of Federal Reserve branch banks is factored into the price of services the Fed charges its member banks. Therefore, as Mr. ROTH stated, this bill does not call for an appropriation from the Congress.

I would urge Members to support H.R. 4398.

Mr. NEAL of North Carolina. Mr. Speaker, I have no further requests for time.

Mr. ROTH. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. NEAL of North Carolina. Mr. Speaker, I yield myself such time as I may consume so that I may submit for the RECORD a letter from the Congressional Budget Office concerning the budget treatment of this bill. The text of the letter is as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 29, 1992.

Hon. HENRY B. GONZALEZ,
Chairman, Committee on Banking, Finance,
and Urban Affairs,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN. The Congressional Budget Office has reviewed H.R. 4398, the Federal Reserve Bank Branch Modernization Act, as ordered reported by the House Committee on Banking, Finance, and Urban Affairs on June 18, 1992. We estimate that enactment of H.R. 4398 would have no budgetary effects through fiscal year 1997.

H.R. 4398 would remove the limitation on Federal Reserve Bank spending for the acquisition or construction of branch buildings. The Federal Reserve Act, as amended, currently limits that spending to a cumulative \$140 million, measured starting from 1947 when the first limit of \$10 million was established. Since 1947 the limit has been increased several times, most recently in 1974. The limit applies only to the cost of the buildings themselves, not to the land, vaults, permanent equipment, furnishings, or fixtures. Since cumulative spending has now virtually reached the \$140 million limit, the Federal Reserve Banks are unable to undertake new branch building projects.

Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended by the Budget Enforcement Act of 1990, sets up pay-as-you-go procedures for legislation affecting direct spending or receipts through 1995. H.R. 4398 has no effect on direct spending but might result in a change in receipts. Because the Federal Reserve System remits its budget surplus to the Treasury, with the payment classified as a miscellaneous receipt in the federal budget, any additional operating costs can potentially reduce federal tax revenues. Based on information provided by the Federal Reserve Board, we estimate that the Federal Reserve would recover—through increased charges to depository institutions that use their services—any additional building costs prompted by enactment of H.R. 4398. As a result, we estimate that H.R. 4398 would not affect receipts. In addition, CBO estimates that no costs would be incurred by state and local governments as a result of enactment of H.R. 4398.

PAY-AS-YOU-GO CONSIDERATIONS

(In millions of dollars)

	Fiscal year—			
	1992	1993	1994	1995
Changes in outlays	NA	NA	NA	NA
Changes in revenues	0	0	0	0

NA=Not applicable.

If you wish further details, please feel free to contact me or your staff may wish to contact Mark Booth at 226-2685.

Sincerely,

ROBERT D. REISCHAUER,
Director.

Enclosure

CONGRESSIONAL BUDGET OFFICE ESTIMATE¹

The applicable cost estimate of this Act for all purposes of sections 252 and 253 of the Balanced Budget and Emergency Deficit Control Act of 1985 shall be as follows:

(In millions of dollars)

	Fiscal year—			
	1992	1993	1994	1995
Changes in outlays	NA	NA	NA	NA
Changes in revenues	0	0	0	0

NA=Not applicable.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina [Mr. NEAL] that the House suspend the rules and pass the bill, H.R. 4398.

The question was taken, and (two-thirds having voted in favor thereof), the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

WORLD WAR II 50TH ANNIVERSARY COMMEMORATIVE COINS ACT

Mr. TORRES. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1623) to require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the United States' involvement in World War II, as amended.

The Clerk read as follows:

H.R. 1623

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 "World War II 50th Anniversary Commemorative Coins Act".

SEC. 2. FINDINGS AND SENSE OF THE CONGRESS.

(a) FINDINGS.—The Congress finds that—
(1) the period of December 7, 1941, through September 2, 1945, will mark the 50th anniversary of the involvement of the United States in World War II;

(2) over 16,000,000 people served in the Armed Forces of the United States during that conflict;

(3) over 400,000 American men and women gave their lives in defense of freedom around the world during World War II;

¹ An estimate of H.R. 4398, as ordered reported by the House Committee on Banking, Finance, and Urban Affairs on June 18, 1992. This estimate was transmitted by the Congressional Budget Office on June 29, 1992.

(4) World War II fundamentally reshaped the international geopolitical landscape, as well as the economic, political, and cultural institutions of our Nation;

(5) the War involved a clear choice between democracy and tyranny and involved our Nation as a whole in a worldwide battle against the forces of fascism and oppression;

(6) the June 6, 1944, invasion of northern France, when in one day 176,000 Allied military personnel were landed on the beaches of Normandy, was one of World War II's most celebrated achievements;

(7) the "D-Day" invasion was the largest seaborne invasion in history and the ensuing 76-day Battle of Normandy was one of the largest land battles in history;

(8) the Battle of Normandy was a key to the Allied forces' eventual liberation of Europe; and

(9) numerous organizations and individuals across the United States have expressed interest in or are engaged in efforts to draw attention to the 50th anniversary of World War II.

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

(1) that the 50th anniversary of the involvement of the United States in World War II, the Battle of Normandy, and its other important battles should not go unrecognized at the national level;

(2) that the United States should recognize these anniversaries by minting and issuing coins to commemorate these anniversaries; and

(3) the minting of a United States coin to commemorate the Battle of Normandy and "D-Day" would be an appropriate concomitance to the commitment by the Republic of France that it will mint a French commemorative coin in recognition of the anniversary.

SEC. 3. WORLD WAR II COMMEMORATIVE COINS.

The Secretary of the Treasury (hereafter in this Act referred to as the "Secretary") shall mint and issue coins in accordance with this Act to commemorate the 50th anniversary of the involvement of the United States in World War II.

SEC. 4. SPECIFICATIONS OF COINS.

(a) DENOMINATIONS.—The Secretary shall mint and issue the following coins:

(1) FIVE DOLLAR GOLD COINS.—Not more than 300,000 five dollar gold coins, each of which shall—

(A) weigh 8.359 grams;

(B) have a diameter of 0.850 inches; and

(C) be composed of 90 percent gold and 10 percent alloy.

(2) ONE DOLLAR SILVER COINS.—Not more than 1,000,000 one dollar silver coins, each of which shall—

(A) weigh 26.73 grams;

(B) have a diameter of 1.500 inches; and

(C) be composed of 90 percent silver and 10 percent copper.

(3) HALF DOLLAR CLAD COINS.—Not more than 2,000,000 half dollar coins, each of which shall—

(A) weigh 11.34 grams;

(B) have a diameter of 1.205 inches; and

(C) be minted to the specifications for half dollar coins contained in section 5112(b) of title 31, United States Code.

(b) LEGAL TENDER.—The coins minted under this Act shall be legal tender as provided in section 5103 of title 31, United States Code.

SEC. 5. SOURCES OF BULLION.

(a) GOLD.—The Secretary shall obtain gold for minting coins under this Act pursuant to the authority of the Secretary under existing law.

(b) SILVER.—The Secretary shall obtain silver for minting coins under this Act only

from stockpiles established under the Strategic and Critical Minerals Stock Piling Act.

SEC. 6. DESIGN OF COINS.

(a) DESIGN REQUIREMENTS.—

(1) IN GENERAL.—The design of the coins authorized under this Act shall, in accordance with subsection (b), be symbolic of the participation of the United States in World War II. In addition, the design of the gold coin authorized under section 4(a)(1) shall be emblematic of the Allied victory in World War II and the silver coin authorized under section 4(a)(2) shall be emblematic of the Battle of Normandy.

(2) DESIGNATIONS AND INSCRIPTIONS.—Each coin authorized under this Act shall bear a designation of the value of the coin, an inscription of the years "1991-1995", and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum". In addition, the silver coin authorized under section 4(a)(2) may bear a designation of the date "June 6, 1944" and an inscription of the words "Battle of Normandy" or "D-Day Invasion".

(b) DESIGN COMPETITION.—The Secretary shall sponsor a nationwide open competition for the design of each coin authorized by this Act.

(c) SELECTION.—The design for each coin authorized by this Act shall be selected by the Secretary from the results of the design competition under subsection (b) after consultation with—

(1) representatives of veterans organizations of the United States whose membership includes veterans of World War II, including—

- (A) the American Legion;
- (B) the Veterans of Foreign Wars of the United States;

(C) AMVETS (American Veterans of World War II, Korea, and Vietnam); and

- (D) the Disabled American Veterans; and

(2) in the case of the one dollar silver coin authorized under section 4(a)(2), the Battle of Normandy Foundation and individuals designated by the Foundation from among individuals who are particularly knowledgeable, by reason of their education, training, or experience, about the history of World War II.

SEC. 7. ISSUANCE OF COINS.

(a) QUALITY OF COINS.—Coins minted under this Act may be issued in uncirculated and proof qualities.

(b) MINT FACILITY.—Only 1 facility of the United States Mint may be used to strike any particular combination of denomination and quality for the coins minted under this Act.

(c) COMMENCEMENT OF ISSUANCE.—The Secretary may issue the coins minted under this Act beginning on January 1, 1993.

(d) TERMINATION OF AUTHORITY.—Coins may not be minted under this Act after December 31, 1993.

(e) PROMOTION CONSULTATION FOR WORLD WAR II MEMORIAL.—The Secretary shall determine the role the American Battle Monuments Commission and any entity established by the Congress to assist the Commission in erecting a World War II memorial will have in the promotion, advertising, or marketing of coins authorized under this Act. This determination shall be made in consultation with the Commission and such an entity. The Secretary may enter into a contract involving the promotion, advertising, or marketing of such coins with the Commission and such an entity if the Secretary decides such a contract would be beneficial in the sale of the coins.

(f) PROMOTION CONSULTATION FOR NORMANDY MEMORIAL.—In consultation with the

Battle of Normandy Foundation, the Secretary shall determine the role such entity shall have in the promotion, advertising or marketing of the coins authorized under this Act. The Secretary shall enter into a contract involving the promotion, advertising, or marketing of such coins with the Foundation if the Secretary decides such a contract would be beneficial in the sale of the coins.

SEC. 8. SALE OF COINS.

(a) IN GENERAL.—The Secretary shall sell coins minted under this Act at a price equal to the sum of the face value of the coins, the surcharge provided in subsection (d) with respect to such coins, and the cost of designing and issuing the coins (including labor, materials, dies, use of machinery, and overhead expenses).

(b) BULK SALES.—The Secretary shall make any bulk sales of the coins minted under this Act at a reasonable discount to reflect the lower costs of such sales.

(c) PREPAID ORDERS.—The Secretary shall accept prepaid orders for the coins minted under this Act prior to the issuance of such coins. Sale prices with respect to such prepaid orders shall be at a reasonable discount.

(d) SURCHARGES.—All sales of coins minted under this Act shall include a surcharge of \$35 per coin for the 5 dollar coins, \$8 per coin for the one dollar coins, and \$2 per coin for the half dollar coins.

SEC. 9. FINANCIAL ASSURANCES.

(a) NO NET COST TO GOVERNMENT.—The Secretary shall take such actions as may be necessary to ensure that minting and issuing coins under this Act will not result in any net cost to the Federal Government.

(b) PAYMENT FOR COINS.—A coin shall not be issued under this Act unless the Secretary has received—

- (1) full payment for the coin;
- (2) security satisfactory to the Secretary to indemnify the United States for full payment; or
- (3) a guarantee of full payment satisfactory to the Secretary from a depository institution whose deposits are insured by the Federal Government.

SEC. 10. USE OF SURCHARGES.

(a) 30/70 SPLIT OF SURCHARGES BETWEEN BATTLE OF NORMANDY MEMORIAL AND WORLD WAR II MEMORIAL.—Surcharges received from the sale of coins minted under this Act shall be distributed by the Secretary as follows:

(1) The first \$3,000,000 received from the sale of coins shall be transferred to the Battle of Normandy Foundation and used to create, to endow, and to dedicate, on the 50th Anniversary of D-Day, a United States D-Day and Battle of Normandy Memorial in Normandy, France, adjacent to the largest World War II Museum in the world in Caen, France, and to encourage and support visits to the memorial by United States citizens, and especially students.

(2) The first \$7,000,000 received from the sale of coins after the \$3,000,000 referred to in paragraph (1) shall be deposited by the Secretary, subject to subsection (b)(2), in the fund established in the Treasury which is available to the American Battle Monuments Commission for the expenses incurred in establishing a memorial on Federal land in the District of Columbia or its environs to honor members of the Armed Forces of the United States who served in World War II and to commemorate the participation of the United States in that war.

(3) Of the amounts received from the sale of coins in excess of \$10,000,000—

(A) 30 percent shall be transferred to the Battle of Normandy Foundation and used in the manner provided in paragraph (1); and

(B) 70 percent shall be deposited by the Secretary, subject to subsection (b)(2), in the fund described in paragraph (2).

(b) USE OF FUNDS IF NOT USED FOR MEMORIAL.—

(1) BATTLE OF NORMANDY MEMORIAL.—Of the amounts received by the Battle of Normandy Foundation under this section, any amount in excess of the amount spent by the Foundation for the uses described in subsection (a)(1) shall be transferred to the Secretary for deposit in the account provided for in section 8(b)(1) of the Act entitled "An Act to provide standards for placement of commemorative works on certain Federal lands in the District of Columbia and its environs, and for other purposes" and approved November 14, 1986, in the same manner as provided by law for the World War II memorial described in subsection (a)(2).

(2) WORLD WAR II MEMORIAL.—If the World War II memorial described in subsection (a)(2) is not authorized by Congress by December 31, 1995, the amounts described in paragraphs (2) and (3)(B) of subsection (a) shall be deposited by the Secretary in the account described in paragraph (1) of this subsection.

(c) AUDITS.—The Comptroller General of the United States shall conduct an annual audit of any books, records, documents, and other data—

(1) belonging to the Battle of Normandy Foundation, the American Battle Monuments Commission, and any agency or organization which receives any amount from the fund described in subsection (a); and

(2) relating to the expenditure of any amount received under subsection (a) or from the fund,

until all amounts received by the foundation, commission, agency, or organization under subsection (a) or from the fund have been spent and the expenditure of such amounts has been audited.

SEC. 11. REPORT TO CONGRESS.

The Secretary shall submit to the Congress a report regarding the activities carried out under this Act. The report shall be submitted by March 31, 1994.

SEC. 12. GENERAL WAIVER OF PROCUREMENT REGULATIONS.

(a) IN GENERAL.—Except as provided in subsection (b), no provision of law governing procurement or public contracts shall be applicable to the procurement of goods and services necessary for carrying out the provisions of this Act relating to the minting or selling of the coins authorized by this Act.

(b) EQUAL EMPLOYMENT OPPORTUNITY.—Subsection (a) shall not relieve any person entering into a contract under the authority of this Act from complying with any law relating to equal employment opportunity.

SEC. 13. COINAGE PROFIT FUND.

(a) DEPOSITS.—All amounts received from the sale of coins issued under this Act shall be deposited in the coinage profit fund.

(b) PAYMENTS.—The Secretary shall pay the amounts authorized under section 10 from the coinage profit fund.

(c) EXPENDITURES.—The Secretary shall charge the coinage profit fund with all expenditures under this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. TORRES] will be recognized for 20 minutes, and the gentleman from California [Mr. MCCANDLESS] will be recognized for 20 minutes.

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

Mr. TORRES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the World War II 50th Anniversary Commemorative Coin Act.

My colleagues, Congresswoman MARCY KAPTUR of Ohio and Congressman SAM GIBBONS of Florida have worked closely with me and members of the committee to develop legislation which will honor our Nation's World War II veterans and leave a legacy for world peace.

The World War II 50th anniversary commemorative coins has been before the subcommittee for two consecutive Congresses and currently boast 243 cosponsors.

Last week, the House approved the World War II Memorial legislation, H.R. 1624. The memorial bill gives the American Battle Monument Commission the authority to proceed with the World War II Memorial in the District of Columbia. The memorial bill and the coin bill have been harmonized so that the surcharges from the coin will go to build the memorial.

Thirty percent of total proceeds from the coins will fund the D-Day Memorial in Normandy, France, and 70 percent will fund the World War II Memorial in Washington, with the first \$3 million in proceeds to be directed to the Normandy Memorial which is poised for completion by June 6, 1994—the 50th anniversary of D-Day. Once again, I would like to thank my esteemed colleague from Ohio, Ms. KAPTUR, for her hard work over the past 2 years on behalf of the Nation's World War II veterans.

I ask you to join with me in support of commemorating this important era in our Nation's history by the minting of World War II commemorative coins.

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

□ 2350

Mr. McCANDLESS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have a number of reservations about this legislation.

However, my reservations are not about supporting a World War II Memorial.

As a veteran of that War, I support the memorial.

I am concerned about the structure of the World War II Commemorative Coin Program, and about the process which has brought this legislation before us.

During last week's debate on H.R. 1624, the gentleman from Alabama, Mr. DICKINSON, expressed his opposition to authorizing a memorial that relied on Government resources.

No matter how you look at it, a commemorative coin program uses Government resources.

I share Mr. DICKINSON's view that the World War II Memorial—and all pro-

posed memorials—should be constructed solely with private donations.

Nevertheless, by passing H.R. 1624, the House has decided that issue.

With regard to the structure of the program, commemoratives are out of control.

In the past 10 years, there has been 10 commemorative coin programs. After today, in the past 3 months alone, we will have authorized seven.

That is clearly excessive.

I am also concerned about the timing of this program.

Experience has proven that the successful coin programs are centered around an event of national historic significance.

H.R. 1623, calls for the issuance of three coins in 1993.

The gold coin is supposed to commemorate the 50th anniversary of the Allied victory in World War II. That anniversary will be in 1995, not 1993.

The silver coin is supposed to commemorate the 50th anniversary of D-Day. That is June 6, 1994, not 1993.

We should not rearrange history to accommodate fund raising, or to avoid competition with a commemorative soccer coin.

In addition, if enactment of this legislation is delayed until this fall, it is doubtful that the Mint will be able to have the program ready to begin on January 1, 1993.

This is especially true since the legislation mandates a design competition for the coins. That competition will take several months.

Again, Mr. Speaker, I support the World War II Memorial. But I am not sure that this legislation will actually help that effort.

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

Mr. TORRES. Mr. Speaker, I yield 4 minutes to our distinguished colleague, the gentlewoman from Ohio [Ms. KAPTUR]. No one has worked more energetically on behalf of World War II veterans and a commemorative coin to build that memorial.

Ms. KAPTUR. Mr. Speaker, this bill tonight has been 50 years in the making, from the moment Japan bombed Pearl Harbor on December 7, 1941, to the days that victory was declared in Europe and in the Pacific in 1945.

As we move this bill which has over 250 cosponsors tonight toward House passage, I would like the record to show that the idea for its creation came from a humble veteran from Ohio's Ninth District, Mr. Roger Durbin, who served with the 90th Reconnaissance Unit of the 10th Armored Division during World War II. He is currently a resident of Richfield Township in Lucas County outside Toledo, OH. His dream was to commemorate all those Americans, 16 million of them, who fought in defense of freedom at its most compelling moment in this century. His desire was a simple one: to

help create a place in our Nation's Capital where he could bring his grandson to explain the ideals for which he and others fought, and where Americans in years hence could visit and pay homage and tribute to those who preserved freedom for the Western world.

I will read from the original letter that he sent me over 4 years ago:

I think it is kind of ironic for me to ask you for a World War II memorial. If it had not been for the World War II veterans, [Congress] would not be sitting today representing the American people in this, the best form of government in the world. Wouldn't it be nice to honor the World War II veterans with the memorial they deserve in our Nation's Capital while one-half of them are still living?

The consideration of this bill on the House floor tonight has been made possible thanks to several of my colleagues. I especially want to thank Chairman GONZALEZ of Texas of the committee of jurisdiction for the bill, namely the House Banking Committee, who saw the bill to passage in committee on June 18; Chairman TORRES of California, vigilant chair of the subcommittee of jurisdiction, namely the Subcommittee on Consumer Affairs and Coinage, who saw the bill through two subcommittee markups and escorted it to the Banking Committee and tonight to the floor; Mr. WYLIE of Ohio, ranking minority on the Banking Committee, whose support helped assure its passage on June 18; Mr. BARNARD of Georgia, a member of the subcommittee whose advice and accommodating spirit all along the way was greatly appreciated; and Mr. GIBBONS of Florida, a veteran of the 82d Airborne who worked long hours to broaden the bill to include provisions on D-Day and to solicit support for the bill in its entirety. I also want to recognize Chairman MONTGOMERY of Mississippi for his watchful and efficacious support over the 4 years it took to move the companion bill to H.R. 1623, the World War II Memorial Act, to passage by the House last Monday, and for his continued support for the coin bill tonight.

I also want to extend a sincere hand of gratitude to all of the veterans' organizations across our country who have worked so diligently to help gain cosponsorship for this bill, now over 250 Members of the House. In particular, I thank the American Legion, the Veterans of Foreign Wars, the Disabled American Veterans, the Military Order of the Purple Heart, the Polish Legion of American Veterans, the Normandy Foundation, and the Paralyzed Veterans of America.

Fifty-one years ago, our country plunged into this century's most profound War, World War II. The War was a nation-shaking, world-changing conflict which carried the intense involvement of sixteen million American citizens who became our World War II veterans. Over 600,000 were wounded. Over 400,000 died in defense of freedom.

American GI's fought heroically on all fronts, in the Pacific, the Atlantic, in Europe, Asia, the Mediterranean, and North Africa. The names and places are familiar to us all: Pearl Harbor, Midway, Coral Sea, Bataan death march, Battle of the Bulge, Normandy, Omaha Beach, and dozens of other battles.

Yet, 4 years ago, when Mr. Durbin, the World War II veteran from Lucas County, asked me why there was no Memorial in the Capital to honor the veterans of World War II, I had no good response. How could I explain the prolonged, 50-year silence of the executive and legislative branches in the face of the incredible significance of this War for our people and the globe? America had done nothing in our Nation's Capital to see this War's heroes and heroines permanently commemorated—here in this city where U.S. involvement was debated and first declared.

Tonight, I have an answer for Mr. Durbin. Last week, the House voted to authorize the establishment of a World War II Memorial on Federal land in the District of Columbia by passing H.R. 1624, the World War II Memorial Act. I, along with 250 of my colleagues who co-sponsored the bill and the more than 8 million surviving U.S. World War II veterans, heartily thank the Membership for its part in securing passage of the bill. Tonight, we ask you to complete your show of support for commemorating the War by voting for passage of H.R. 1623, the World War II 50th Anniversary Commemorative Coins Act.

In essence, this complimentary bill provides a funding mechanism to pay for the memorial that does not require appropriation of public funds. Rather, the World War II Memorial will be assured by the minting and the sale of 50th anniversary World War II commemorative coins to the general public. Specifically, the legislation authorizes the sale of three coins: 300,000 \$5-dollar gold coins, 1 million \$1-dollar silver coins, and 2 million half-dollar clad coins. The gold coin will be emblematic of the Allied victory, and the silver of the Battle of Normandy. Seventy percent of the total proceeds from the coins will fund the World War II Memorial here in Washington, and 30 percent will fund the D-Day Memorial in France, with the first \$3 million in proceeds to be directed to the Normandy Memorial which is poised for completion first by June 6, 1994, the 50th international anniversary of D-Day.

As you know, commemorative coin bills are appropriate vehicles to use to privately raise funds for public purposes since the sale price of the coins exceeds their cost of production. H.R. 1623 is no exception. The coins are expected to net between \$10—\$22.5 million in surcharges available for the construction of the memorials, with specific language in the bill indicating

that the legislation shall yield no net cost to the Federal Government. Further, this approach also will mint the coins, sell them, and maintain a special account solely for this purpose.

The numismatic community has projected a good market for the World War II coins. And the U.S. Mint estimates that it will sell at least 1.5 million coins. In addition, a recent independent market study on the 1996 Olympic coin cited the World War II set of coins as the most marketable following the Olympic coin and the Christopher Columbus coin.

Most importantly, these coins are crucial for the creation of the memorial. Though private funds will be raised to support the memorial's construction, over half of World War II veterans are no longer living. Thus it is essential that sufficient funds be raised to build the memorial and avoid problems of previous memorials. For example, seven memorials languished for more than 5 years each due to lack of private donations toward their establishment. I do not want to see the World War II Memorial suffer the same fate. The coin proceeds combined with private funding will provide a double-sided funding source which should be a sure-bet to meet the capital requirements necessary for building memorials—all without use of scarce taxpayer dollars.

In sum, it is time for Congress to pay tribute to those who offered their lives for the freedoms we enjoy today and the ideals of America. They asked nothing in return. Stand with me, my many colleagues, and with the veterans of World War II in support of H.R. 1623 during this 50th anniversary of 1991-95. Is it not truly fitting for us to nationally acknowledge these brave men and women who preserved democracy, and the idea of liberty, and built a foundation of peace during America's second century?

Mr. MCCANDLESS. Mr. Speaker, I yield such time as he may consume to the distinguished ranking minority member of the Committee on Banking, Finance and Urban Affairs, the gentleman from Ohio [Mr. WYLIE].

Mr. WYLIE. Mr. Speaker, I rise today in support of H.R. 1623, the World War II 50th Anniversary Commemorative Coin Act, both as a World War II veteran and a cosponsor of this bill, and I am proud to say that I am an original cosponsor and would like to commend the gentlewoman from Ohio [Ms. KAPTUR] for introducing the bill and for her diligent, persistent effort in bringing us here this evening. I also commend the gentleman from Texas [Mr. GONZALEZ], without whose support this bill would not be here, and the subcommittee chairman, the gentleman from California [Mr. TORRES], for their efforts to insure consideration of this bill on the floor of the House this evening.

Mr. Speaker, I regret that I must disagree with my ranking member on the Consumer Affairs Subcommittee who is my good friend as to the timeliness of this bill. I think a little lead time will help insure the success of the bill.

H.R. 1623 authorizes a coin program to commemorate the 50th anniversary of the United States' involvement in World War II. The gold coin will be symbolic of the Allied victory in World War II.

The silver coin will commemorate the D-Day invasion and the ensuing Battle of Normandy. The Battle of Normandy was the largest land battle in history and was a key to the Allied Forces' eventual liberation of Europe.

Proceeds from the World War II Coin Program will be used to establish a World War II memorial in the Washington, DC area. If excess proceeds are available, or if the memorial is not established, the funds will be used to maintain other memorials commemorating military conflicts. These provisions ensure that the funds from this program will be used to honor our veterans and the battles in which they fought.

I am grateful for this opportunity to honor my fellow World War II veterans through the issuance of this coin. I urge my colleagues to express their support for the 16 million men and women who served in World War II and for the 400 thousand men and women who gave their lives in defense of freedom and democracy.

Mr. DICKINSON. Mr. Speaker, as a 3-year Navy veteran of World War II, I rise in opposition to H.R. 1623.

I strongly favor the erection of a monument in the memory of those who fought in World War II. I think it is unconscionable that we have gone nearly 50 years without an adequate commemoration of those who fought, died, bled, and sacrificed so much so that we could be here today to enjoy the fruits of freedom for which they paid the price. World War II marked a turning point in our Nation's history. We entered the conflict as one of many world powers but concluded the War as the undisputed leader of the free world. The collective efforts of millions of Americans made our victory possible, and our official thanks in the form of a national memorial are long overdue.

It is important to build a memorial honoring one of our Nation's greatest achievements while those who served and sacrificed can participate in its construction. With the upcoming celebration of the end of World War II, it is also important to begin this effort immediately. Between now and the target completion date of September 1995, there will be a number of anniversaries commemorating milestones on our road to victory, creating opportunities for every American to contribute to the funding of the memorial—no matter how big or small.

The sense of Congress was expressed in H.R. 5006, urging completion of the memorial in time for the 50th Anniversary celebration through private contributions raised by the Na-

tional World War II Memorial Fund. This passed on a voice vote June 4, 1992.

Now there is a difference of opinion about the best way to about building and funding the memorial. In my first conversations with the sponsor of this bill, the gentlewoman from Ohio [Ms. KAPTUR], I thought she was amenable to the idea of S. 2244, which provided a proven and streamlined approach. Then later she said no, holding fast to the idea that the Government bureaucracy should build it and finance it through the sale of commemorative coins. I do not think that is the way to go. It will take too long, and use taxpayer moneys. The coin bill on the floor today (H.R. 1623) is the financing mechanism for H.R. 1624, and I would refer my colleagues to the debate in the CONGRESSIONAL RECORD (H4987-H4993) on June 22, 1992.

As a proud veteran of World War II, I want to see this memorial built, and I want to see it done right. I have introduced legislation (H.R. 5437) to authorize the construction of a World War II Memorial, financed solely through private contributions in accordance with H.R. 5006. H.R. 5437 is the companion bill to Senator THURMOND's legislation (S. 2244) which relies solely on private contributions. This is the route taken for construction of the Vietnam Veterans Memorial, which raised \$9.3 million and used no Federal funds. This is the best way to do it.

The National World War II Memorial Fund endorsed in H.R. 5006 is a registered 501(c)(3) corporation, established to fund, design, and build a fitting national memorial to honor all Americans who contributed in World War II. The establishment of the National World War II Memorial Fund was necessary because past legislation failed to gain support because it involved Federal funds and questionable funding mechanisms like this coin bill. The National World War II Memorial Fund is in complete compliance with the Commemorative Works Act, IRS regulations, GAO guidelines, will be annually audited by KPMG, Peat Marwick. Once established by law, the fund will be under review by a presidentially appointed advisory board.

The National World War II Memorial Fund is a team of dedicated professionals with direct and proven skills in national memorial development, including: The Vietnam Veterans Memorial, The Navy Memorial and The National Law Enforcement Officers Memorial. The team includes: Maj. Gen. Phil Monahan, U.S.M.C. (ret.)—Executive Director, Bob Frank & Company, Accounting. CPA's for Vietnam Veterans Memorial and National Law Enforcement Officers Memorial. Steve Cram & Associates, Fund Raising. Fund raisers for Navy Memorial, VFW, American Legion, National Association of Uniformed Services and others.

The private sector can raise the funds much more rapidly than we can by the selling of individual coins throughout the country, and I hope that we do not have to look back to this moment in 1995 and realize that the wrong approach was taken. If we follow the timeline of the Korean War Memorial, we won't break ground on the World War II Memorial until 1998. In fact, we fought the Korean War in half the time it took to reach the groundbreaking ceremony.

The approach on the floor today employs Federal funds through the authorization of a

Federal commission to raise funds and establish the memorial, the minting of commemorative coins by the U.S. Mint, and the establishment of a fund in the Treasury for memorial expenses, managed and invested by the Treasury Department.

The Federal commission charged with joint handling of the Treasury account and raising private funds is The American Battle Monuments Commission [ABMC]. These responsibilities go beyond the mission of the ABMC, and would require additional funding and staff, the needs of which remain unknown until hearings are held. The chairman of the ABMC, General P.X. Kelley, stated in a letter dated June 5, 1992, that, "I believe it is inappropriate for a federal commission such as the American Battle Monuments Commission to be directly involved in fund raising activities within the private sector."

Although the Treasury Secretary would also have responsibility for this special account, and would be responsible for investing extra money not required for expenses, the Department of the Treasury has not been consulted with regard to this account. The Secretary of the Treasury might also find the following section an indicator reflecting the amount of thought that went into the bill:

(d) ABOLITION.—Upon the final settlement of the accounts of the fund, the Secretary of the Treasury shall submit to the Congress a draft of legislation (including technical and conforming provisions) recommended by the Secretary for the abolition of the fund.

By the time we go the route of this legislation we will become enmeshed in the Federal bureaucracy, and will certainly delay the construction of the monument beyond August or September of 1995, which will be the final limits of the action in World War II. I would urge the Senate to examine the two approaches and work out a bill that will finally fund this monument and expedite it through The National World War II Memorial Fund. If we do decide to go the route of S. 2244 or H.R. 5437, then H.R. 1623 could be amended to preserve the efforts of the Normandy Foundation.

In closing, Mr. Speaker, let me reiterate I am a strong advocate of building a memorial for those who fought and died and sacrificed in World War II. I believe in it. I think it is shameful that it has not already been done. Many millions of people have had the opportunity to go down on The Mall not very far from here and look at the Vietnam Memorial that is most impressive. Look at the thousands of names of those who gave their lives there. It is a beautiful memorial, a very fitting memorial. I think it is probably one of the most emotion-evoking memorials that is in existence today. Mr. Speaker, this monument was built and put in place and totally funded with no Federal funds involved. That is what I would propose to do in this instance.

Mr. Speaker, I am offering this suggestion today because I did not get the opportunity to offer this approach in committee, where it should have been done, where we could compare the two

and come up with the best result. I believe the intent of the bill on the floor today is good, but I do not think that the government bureaucracy can build a memorial as well and quickly as citizens in the private sector.

Mr. MONTGOMERY. Mr. Speaker, H.R. 1623, the World War II 50th Anniversary Commemorative Coins Act, was introduced on March 22, 1991, by MARCY KAPTUR of Ohio.

For many years, she has been leading the effort to establish a memorial to honor members of the Armed Forces who served in World War II and to commemorate the United States' involvement in that conflict. That bill, H.R. 1624, passed the House yesterday.

Since no public funds would be used in designing and constructing the memorial, all costs would be funded from private donations and from revenues derived from the sale of the commemorative coins as set out in H.R. 1623.

H.R. 1623 would direct the Secretary of the Treasury to mint and issue 300,000 \$5 gold coins, 1 million silver coins and 2 million half-dollar clad coins. The coins will symbolize U.S. participation in World War II and the surcharges will be divided according to a 30/70 split between the Battle of Normandy Memorial and the World War II Memorial.

Mr. Speaker, since December 7 of last year, ceremonies have been held throughout the world commemorating events that occurred during this long and critical period in our Nation's history. It is time that we paid tribute to those who defended America during this time, and I am pleased to support Ms. KAPTUR in her efforts to get this memorial established in our Nation's Capital.

I urge favorable consideration of H.R. 1623.

Mr. TORRES. Mr. Speaker, I have no further requests for time.

Mr. McCANDLESS. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. TORRES. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. (Mr. MCDERMOTT). The question is on the motion offered by the gentleman from California [Mr. TORRES] that the House suspend the rules and pass the bill, H.R. 1623, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

REPORT ON H.R. 5503, INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1993

Ms. SLAUGHTER, from the Committee on Rules, submitted a privileged report (Rept. No. 102-637) on the resolution (H. Res. 506) waiving certain points of order against and during consideration of the bill (H.R. 5503) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1993, and for other purposes, which was referred to the House Calendar and ordered to be printed.

□ 2400

ANNOUNCEMENT BY THE SPEAKER
PRO TEMPORE

The SPEAKER pro tempore (Mr. McDERMOTT). This being the Calendar Day of Wednesday, without objection, the Chair is authorized to recognize members for motions to suspend the rules and pass the following bills: H.R. 3654, H.R. 5126, and S. 2780.

There was no objection.

CIVIL WAR BATTLEFIELD
COMMEMORATIVE COIN ACT

Mr. TORRES. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5126) to direct the Secretary of the Treasury to mint coins in commemoration of the 100th anniversary of the beginning of the protection of Civil War battlefields, and for other purposes; as amended.

The Clerk read as follows:

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 "Civil War Battlefield Commemorative Coin Act of 1992".

SEC. 2. COIN SPECIFICATIONS.

(a) FIVE DOLLAR COINS.—The Secretary of the Treasury (hereafter in this Act referred to as the "Secretary") shall issue not more than 300,000 five dollar coins which shall—

- (1) weigh 8.359 grams,
- (2) have a diameter of 0.850 inches, and
- (3) contain 90 percent gold and 10 percent alloy.

(b) ONE DOLLAR SILVER COINS.—The Secretary shall issue not more than 1,000,000 one dollar coins which shall—

- (1) weigh 26.73 grams,
- (2) have a diameter of 1.500 inches, and
- (3) contain 90 percent silver and 10 percent copper.

(c) HALF DOLLAR CLAD COINS.—The Secretary shall issue not more than 2,000,000 half dollar coins which shall be minted to the specifications for half dollar coins contained in section 5112(b) of title 31, United States Code.

(d) DESIGN.—

(1) DESIGN REQUIREMENTS.—The design of the coins authorized under this Act shall be emblematic of the Civil War. On each such coin there shall be a designation of the value of the coin, an inscription of the year "1995", and inscriptions of the words "Liberty," "In God We Trust," "United States of America," and "E Pluribus Unum."

(2) SELECTION OF DESIGN.—The Secretary shall select the design of each coin authorized under this Act after consultation with the Secretary of the Interior, the Commission of Fine Arts, and the Civil War Battlefield Foundation (hereafter in this Act referred to as the "Foundation").

(e) LEGAL TENDER.—The coins issued under this Act shall be legal tender as provided in section 5103 of title 31, United States Code.

(f) TERMINATION OF AUTHORITY.—Coins may not be minted under this Act after December 31, 1995.

(g) PROOF AND UNCIRCULATED COINS.—The coins authorized under this section shall be issued in uncirculated and proof qualities.

(h) BUREAU OF THE MINT.—Not more than 1 facility of the Bureau of the Mint may be

used to strike any particular combination of denomination and quality of coins under this Act.

SEC. 3. SOURCES OF BULLION.

(a) GOLD.—The Secretary shall obtain gold for the coins minted under this Act pursuant to the authority of the Secretary under existing law.

(b) SILVER.—The Secretary shall obtain silver for the coins minted under this Act only from stockpiles established under the Strategic and Critical Minerals Stock Piling Act (50 U.S.C. 98 et seq.).

SEC. 4. SALE OF COINS.

(a) SALE PRICE.—Notwithstanding any other provision of law, the coins issued under this Act shall be sold by the Secretary at a price equal to the face value, used in minting such coins, plus the cost of designing and issuing such coins (including labor, materials, dies, use of machinery, overhead expenses, marketing, and shipping).

(b) BULK SALES.—The Secretary shall make bulk sales of coins issued under this Act at a reasonable discount.

(c) PREPAID ORDERS AT A DISCOUNT.—The Secretary shall accept prepaid orders for the coins issued under this Act prior to the issuance of such coins. Sales under this subsection shall be at a reasonable discount.

(d) SURCHARGE REQUIRED.—All sales of coins issued under this Act shall include a surcharge of \$35 per coin for the five dollar coins, \$7 per coin for the one dollar coins, and \$2 per coin for the half dollar coins.

(e) MARKETING.—The Secretary, in cooperation with the Foundation, shall develop and implement a marketing program to promote and sell the coins authorized under this Act both within the United States and internationally.

SEC. 5. COINAGE PROFIT FUND.

(a) DEPOSITS.—All amounts received from the sale of coins issued under this Act shall be deposited into the coinage profit fund.

(b) PAYMENTS.—The Secretary shall pay the amounts authorized under section 6 from the coinage profit fund.

(c) EXPENDITURES.—The Secretary shall charge the coinage profit fund with all expenditures under this Act.

SEC. 6. DISTRIBUTION AND USE OF SURCHARGES.

(a) DISTRIBUTION.—Notwithstanding any other provision of law, the total surcharges received by the Secretary from the sale of coins issued under this Act shall be promptly paid by the Secretary to the Foundation and used by the Foundation for the preservation of historically significant Civil War battlefields.

(b) APPROVAL OF EXPENDITURES REQUIRED.—The Foundation may not expend any amount attributable to amounts paid to the Foundation under this section unless the Secretary of the Interior approves that expenditure.

(c) ACCOUNTING.—The Foundation shall account for all sums received by the Foundation under this section in accordance with generally accepted accounting principles and shall utilize such sums in a prudent manner to achieve battlefield protection. The books and records of the Foundation shall be made available to the Secretary and the Secretary of the Interior upon request.

(d) AUDITS.—The Comptroller General of the United States shall have the right to examine such books, records, documents, and other data of the Foundation as may be related to the expenditure of amounts paid to the Foundation under this section.

SEC. 7. GENERAL WAIVER OF PROCUREMENT REGULATIONS.

(a) IN GENERAL.—Except as provided in subsection (b), no provision of law governing

procurement or public contracts shall be applicable to the procurement of goods or services necessary for carrying out the provisions of this Act.

(b) EQUAL EMPLOYMENT OPPORTUNITY.—Subsection (a) shall not relieve any person entering into a contract under the authority of this Act from complying with any law relating to equal employment opportunity.

SEC. 8. FINANCIAL ASSURANCES.

(a) NO NET COST.—The Secretary shall take such actions as may be necessary to ensure that the minting and issuance of coins under this Act will not result in any net cost to the Federal Government.

(b) FULL PAYMENT.—No coin shall be issued under this Act unless the Secretary has received—

- (1) full payment for the coin;
- (2) security satisfactory to the Secretary to indemnify the United States for full payment; or

(3) a guarantee of full payment satisfactory to the Secretary from a depository institution the deposits of which are insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration.

SEC. 9. REPORTS TO CONGRESS.

(a) REPORTS REQUIRED.—Not later than 15 days after the last day of each calendar quarter which ends before April 1, 1996, the Secretary shall transmit to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a report detailing activities carried out under this Act during such quarter.

(b) CONTENTS OF REPORT.—The report shall include a review of all marketing activities under section 4 and a financial statement.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. TORRES] will be recognized for 20 minutes and the gentleman from California [Mr. McCANDLESS] will be recognized for 20 minutes.

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

Mr. TORRES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to thank my colleague, from Minnesota, Mr. VENTO, and his staff, for working with me to perfect the Civil War Battlefield Commemorative Coin Act.

The bill as approved by the Banking Committee would move the minting of the commemorative coins from 1993 to 1995 as well as reduce the number of coins to be minted and the amount of surcharges to be raised.

With these changes, I wholeheartedly support the legislation to preserve our Nation's civil war battlefields. My former colleague, Interior Secretary Lujan, and my banking committee colleague, Mr. VENTO, have worked tirelessly to achieve the goal of sparing hundreds of historical sites from commercial development.

I ask my colleagues to support this important legislation.

I reserve the balance of my time.

Mr. McCANDLESS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I feel like the proverbial skunk at the company picnic to-

night, but I feel that the subject matter of these commemorative coins is of such importance that I need to express myself.

Mr. Speaker, I have very strong reservations about this legislation. I am particularly concerned about the process which has brought this bill before us.

The rules of the Banking Committee require that a commemorative coin have 218 cosponsors before it can be considered for a hearing.

Consequently, many Members cosponsored this bill so that the Subcommittee on Coinage could hold a hearing and carefully consider the proposal.

But, there have been no hearings on H.R. 5126. Not so much as one sentence of testimony on this proposal has been considered by the Banking Committee.

We are being asked to establish a program that may provide a substantial sum of money to a group called the "Civil War Battlefield Foundation."

Who are these people? What are they going to do with the money? These are questions that have not been answered.

We are told that the recent PBS series on the Civil War has sparked a new interest in it.

While I, too, found the series interesting, I question whether or not we should fashion commemorative coins around TV shows.

There is no evidence that coin collectors, who have been deluged with commemorative coins, or anybody else, will actually buy these coins.

Experience has shown that successful coin programs are centered around an event of national historic significance.

Here we are being asked to commemorate the 100th anniversary of the beginning of Civil War battlefield preservation.

We ought not make coins that nobody will buy.

I must also inform my colleagues that this is not the bill that most of you co-sponsored.

In our rush to railroad this bill through the House, the date for the Civil War commemorative coin has been set for 1995.

Has anybody stopped and realized that 1995 will be a time for remembrance and celebration of the 50th anniversary of our victory in World War II?

Authorizing a coin in 1995 to commemorate the Civil War is totally inappropriate.

Again, Mr. Speaker, these are issues that could have been, and should have been, addressed in hearings. But no hearings have been held.

My final point is this. What is the hurry?

If the proposal has merit, then we have over 2½ years to enact legislation.

We should reject this bill today, and send it back to the Banking Committee so that there can be hearings on it.

Because the proponents of the H.R. 5126 are trying to rush it through, there are too many unknowns.

For these reasons, I have strong reservations about this legislation.

I reserve the balance of my time.

Mr. TORRES. Mr. Speaker, I appreciate hearing the views of the ranking minority member, the gentleman from California [Mr. MCCANDLESS], regarding the procedure under which this bill is brought before the House.

Mr. Speaker, I do not wish to take up important time at this moment to react to the various aspects of that. Instead, I yield such time as he may consume to the gentleman from Minnesota [Mr. VENTO], the author of this legislation.

Mr. VENTO. Mr. Speaker, I rise in support of H.R. 5126, which would authorize the minting of coins to commemorate our Civil War. I commend the chairman of the subcommittee, Mr. TORRES and his staff for their assistance and deliberate consideration of this proposal. My special tanks go to Chairman GONZALEZ and Congressman WYLIE for their support for this measure.

Mr. Speaker, the funds provided by the surcharges for the sale of the Civil War commemorative coins would be used to protect threatened and historic civil war battlefield sites. H.R. 5126, which I introduced with my colleague from Ohio, Mr. WYLIE, has strong bipartisan support. In fact the Civil War coin legislation now has over 250 cosponsors. The Civil War Battlefield Commission, appointed by Secretary Lujan and congressional leaders, has strongly advocated the need to protect these endangered Civil War sites and supports the use of private funds, such as those envisioned under this act to protect those sites.

No one can deny the fact that the Civil War is an important focal point in our Nation's history and culture. Ken Burns' highly acclaimed public broadcast system's epic television series on the Civil War drew broad viewership and rave reviews. Our Nation's rising interest in the Civil War has also been reflected in the dramatic increase in visitors at our National Park Service Civil War sites. There has been record new attendance at all such National Park Service Civil War units.

In 1991, over 26 million people visited Park Service Civil War sites, an increase of over 7 million people or nearly 40 percent more than 1990.

Near the Washington DC, area last year, visitation of Civil War sites reflected this same phenomena. For 1991, nearly 1.5 million people visited Gettysburg and nearly 1 million individuals visited Manassas National Battlefield.

It is ironic that when the interest in this crucial period in our Nation's history is at an all time high, key unprotected Civil War sites are not at risk from development or degradation.

As many of my colleagues may recall, in 1988, the Congress was forced to take an unusual action by appropriating emergency funds to save key parts of the Bull Run/Manassas Battlefield from development as a shopping mall. The challenge persists today and will persist tomorrow. Our Nation's cultural and historic lands will be lost in perpetuity unless we act now.

Following the crisis response to Bull Run/Manassas, Secretary of the Interior Lujan, working with the Subcommittee on National Parks and Public Lands and the Senate Subcommittee on Public Lands, National Parks and Forests, established a process to identify and protect crucial, historic Civil War battlefield sites. A key to the success of this process is the involvement of the private sector and the interested public through the Civil War Battlefield Foundation, a private 501(c)(3) initiated by Secretary Manuel Lujan.

The goal of the foundation is to utilize private funds to respond to those sites which are under the greatest threat. In addition, the foundation will encourage alternative battlefield preservation measures, promote educational efforts of the Civil War and work with the National Park Service to create a Civil War legacy park system.

H.R. 5126 is an important key to that goal. The proceeds from the sale of these commemorative Civil War coins will allow the foundation to go forward, with the approval of the Department of the Interior, to identify crucial sites and to insure that those sites are not lost. The proceeds from the sale of these unique coins will not be the only funding source for this project. In fact the foundation will be seeking simultaneously a significant financial commitment from the private sector. The surcharge will however be a key component of the financial mix.

Mr. Speaker, some have suggested that we delay minting a coin to commemorate the Civil War until some later date. I would respond to those suggestions by reminding my colleagues that over the past 2 years there have been an incredible number of visitors to National Park Service Civil War sites—over 50 million. Each year that we delay action, crucial sites are lost to development or degradation. H.R. 5126 would provide crucial private funds to protect these sites and to insure that this important part of American history and our cultural heritage will not be lost for future generations.

I urge my colleagues to support this bill.

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Mr. Chairman, I thank my cosponsor the gentleman from California [Mr. TORRES] and the gentleman from Ohio [Mr. WYLIE] who has stood with me and helped, and many others, including the

gentleman from North Carolina [Mr. TAYLOR], and others that were on the Hill, the gentleman from New York [Mr. MRAZEK], and the gentleman from Texas [Mr. ANDREWS], who helped win and get the cosponsors for this particular measure so that we were able to move it along in an expedited fashion.

Mr. McCANDLESS. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Ohio [Mr. WYLIE], the ranking minority member.

Mr. WYLIE. Mr. Speaker, I thank the distinguished gentleman from California for yielding me this time.

Mr. Speaker, I rise in strong support of this legislation. The Secretary of the Interior, Mr. Manuel Lujan, is in strong support of this bill, and he persuaded me to be a cosponsor of it.

I rise today as an original cosponsor of H.R. 5126, the Civil War Battlefield Commemorative Coin Act of 1992, and I commend the gentleman from Minnesota for introducing this bill. I would also like to commend Chairman GONZALEZ and subcommittee chairman TORRES for moving this bill through committee expeditiously so that we could consider this bill on the floor of the House today.

In recent years, the Department of the Interior has been faced with mounting pressure to allow for the development of land which contains our Civil War battlefields and other historical sites.

For example, in 1988, Congress was forced to appropriate funds to save key parts of the Manassas battlefield from development as a shopping mall, and similar congressional efforts have been necessary to protect other Civil War sites from development. In response to such events, the Department of the Interior established the American Battlefield Protection Program under the direction of Secretary Lujan. This program is a national partnership between the public and private sectors, and has gained broad support from historical organizations, environmental organizations, war scholars, and the public in general. This support will allow us to secure a non-Federal source of funding for our battlefields in a time of budget austerity.

Civil War battlefields give us insight into the formation of our Nation and memorialize those who fought for their values and for the abolition of slavery. I once again urge my colleagues to support this bill which would help to preserve our Civil War battlefields, and, in turn, preserve our heritage.

Mr. ANDREWS of Texas. Mr. Speaker, the Civil War is the single most important event in our Nation's history. America's social and economic foundations before the war were forever changed by the war, and its impact continues to affect our national debate. The Nation was infused, in Lincoln's words, with a "new birth of freedom." It is not coincidence that students in this country divide their study of American

history by the War Between the States. Civil rights, women's rights, economic policy, and trade were issues driven into the 20th century by the Civil War.

And so, understanding the Civil War—its reasons, its battles, its politics, its costs, its significance—is important in understanding who we are as a Nation and where we are going.

There is one tangible legacy of the War—its battlefields. With names like Antietam, Chancellorsville, the Wilderness, and Glorietta Pass, many remain today, undisturbed as reminders and lessons, to see and to feel. Our generation's obligation to our history is to protect these important sites from destruction or permanent change.

A few years ago many of us fought to save the battlefield of Second Manassas from destruction. The financial cost was high, largely because of a greedy developer, pliant local leaders, and an insensitive Secretary of the Interior. A large shopping mall would have changed that national park forever. We can always build shopping malls—we can never rebuild battlefields.

In a cornfield near Antietam Creek in western Maryland, federal troops from Ohio and Pennsylvania attacked troops from Georgia and Texas and in less than an hour the ground was covered with bodies. In what was to become the bloodiest day in American history, 26,000 young men were left dead on the field.

Today, the cornfield is protected because of the generosity of a wealthy family—the center of the Antietam National Battlefield Park almost became a new housing development. Other important sites may not be so fortunate. Brandy Station, VA, and Shiloh, TN, risk succumbing to unbridled development and growth. Soon they may be destroyed or negatively affected. But the American taxpayer alone—in an effort to protect these sites—cannot bear the entire cost. It is not economically feasible and in many cases it is not the most expeditious remedy.

This legislation will help save our important battlefield sites. There are many Americans, collectors, and historians, who will respond to these minted coins. The sale of these coins will raise close to \$22 million for the Civil War Battlefield Foundation. The Foundation will then have the resources to buy land and easements and to save our historic Civil War battlefields and sites.

This is a modest step, a small step, though the results would be enormous. This is an exciting opportunity for this Congress to ensure that our Civil War heritage will last forever. Please join me in supporting this legislation.

Mr. WOLF. Mr. Speaker, as a cosponsor, I am pleased to speak today in support of H.R. 5126, the Civil War Commemorative Coin Act of 1992.

This important legislation, which would authorize the minting of coins in commemoration of the 100th anniversary of Civil War battlefield legislation, will help preserve and protect the many scenic and historic Civil War battlesites across our Nation. Importantly, this legislation would have no cost for the American taxpayer, as surcharges from the sale of these coins would be used with private funds to help preserve our country's Civil War legacy.

I know firsthand the importance of protecting our Civil War battlesites. In 1988, you may recall that Congress was forced to appropriate funds to save key parts of the Manassas battlefield, where the pivotal battles of Bull Run were fought, from the development of a new shopping center. We learned from the Manassas experience that new approaches and strategies were needed to preserve battlesites throughout the Nation.

I believe H.R. 5126 is an excellent national approach to help solve the problem of saving our Civil War battlesites from encroaching development. Every year, thousands of visitors visit these battlefields and learn about the Civil War. By passing H.R. 5126 into law, we have the opportunity to protect these resources for generations to come.

I commend our colleagues, Representatives VENTO, WYLIE, CHARLES TAYLOR, and MRAZEK for introducing this bill and our colleagues on the Banking, Finance and Urban Affairs Committee for their hard work in moving this bill. I urge all Members to support H.R. 5126.

Mr. TAYLOR of North Carolina. I rise today to urge my colleagues to support H.R. 5126, the Civil War Commemorative Coin Act.

H.R. 5126 will authorize the minting of three coins; one gold, one silver, and one bronze. I want to stress that this legislation will cost the taxpayers nothing. All expenses associated with striking the coins will be met by proceeds from the sale of the coins.

It is estimated that sales will generate over \$20 million for Civil War battle site preservation. There is enormous public interest in the Civil War era as evidenced by the sale of hundreds of thousands of copies of James McPherson's Pulitzer Prize winning book "Battle Cry to Freedom," by the 20 million viewers who watched the PBS Civil War series, by the several magazines devoted exclusively to the Civil War period, and by the existence of over 20,000 reenactors. Because of this great interest throughout our Nation, I believe sales of the coins will be brisk.

After the expenses associated with the production of the coins are met, the remainder of the proceeds of their sale will be entrusted to a private entity, the Civil War Battlefield Foundation, for the purchase of land where significant military events in the Civil War occurred. The Civil War Battlefield Foundation is not a management entity. Its sole function is to direct funds to where they are most needed for the purchase of property from willing sellers for the preservation of significant Civil War sites. The Foundation exists to raise private sector resources and apply free market approaches for battlefield landscape preservation. The sale of commemorative coins is an important but by no means the only avenue the Foundation is pursuing to raise the money needed to preserve our Nation's Civil War legacy.

The painful Manassas experience of 1988, in which a huge amount of public money was expended at the last minute for the legal taking of a comparatively small amount of property, has taught us the urgency of saving crucial property under threat of development and the wisdom of preserving such property when it is still available at a moderate price. The funds made available from the sale of commemorative coins can be used for the preser-

vation of vital properties under immediate danger of development. However, it is my hope, and the intention of those at the Civil War Battlefield Foundation who will manage the funds which will be raised by the sale of coins, that the bulk of the money raised by this legislation will be devoted to the purchase of easements on, or titles to, important tracts of land by interested local persons or groups, before the cost of their preservation becomes prohibitively expensive.

I want to commend Secretary of the Interior Manuel Lujan for his leadership in proposing a list of 25 endangered Civil War battlefields which should receive the most attention from those seeking to preserve our Civil War legacy. A number of the sites on the Secretary's list are in immediate danger. One of these is Fort Fisher in my State of North Carolina, which faces the danger of being washed away by the ocean unless protective measures are taken soon. Others are not in immediate danger, but are of such importance that special efforts should be employed to preserve them while there is still time.

One of the chief tasks of the Civil War Battle Sites Advisory Commission, on which I have the privilege of serving as a member, is to evaluate the significance of sites of Civil War battles nationwide, in order to make decisions about which sites should be the focus of particular attention. This is a fine example of the sort of careful long-range planning which will allow truly important sites to be identified long before the danger of their loss becomes acute.

I am pleased by the large bipartisan support this legislation has enjoyed and urge my colleagues to support its passage. Last, when the coins become available, I would like to urge my colleagues to do their part and buy them in order to help preserve our Nation's precious Civil War legacy.

Mr. TORRES. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCDERMOTT). The question is on the motion offered by the gentleman from California [Mr. TORRES] that the House suspend the rules and pass the bill, H.R. 3654, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "An Act to direct the Secretary of the Treasury to mint coins in commemoration of the 100th anniversary of the beginning of the protection of Civil War battlefields, and for other purposes."

A motion to reconsider was laid on the table.

DOUG BARNARD, JR.—1996 ATLANTA CENTENNIAL OLYMPIC GAMES COMMEMORATIVE COIN ACT

Mr. TORRES. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3654) to provide for the minting of commemorative coins to support the

1996 Atlanta Centennial Olympic Games and the programs of the U.S. Olympic Committee, as amended.

The Clerk read as follows:

HR. 3654

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—1996 OLYMPIC GAMES COMMEMORATIVE COINS

SECTION 101. SHORT TITLE.

This title may be cited as the "Doug Barnard, Jr.—1996 Atlanta Centennial Olympic Games Commemorative Coin Act".

SEC. 102. COIN SPECIFICATIONS.

(a) FIVE DOLLAR GOLD COINS.—The Secretary of the Treasury (hereinafter in this title referred to as the "Secretary") shall issue five dollar coins, each of which shall weigh 8.359 grams, have a diameter of 0.850 inches, and contain 90 percent gold and 10 percent alloy, with the dates and in the amounts, as follows:

Year	Amount
1995	Not more than 175,000 each of 2 coins of different designs.
1996	Not more than 300,000 each of 2 coins of different designs.

(b) ONE DOLLAR SILVER COINS.—The Secretary shall issue one dollar coins, each of which shall weigh 26.73 grams, have a diameter of 1.500 inches, and contain 90 percent silver and 10 percent copper, with the dates and in the amounts, as follows:

Year	Amount
1995	Not more than 750,000 each of 4 coins of different designs.
1996	Not more than 1,000,000 each of 4 coins of different designs.

(c) HALF DOLLAR CLAD COINS.—The Secretary shall issue half dollar coins, each of which shall weigh 11.34 grams, have a diameter of 30.61 millimeters and be minted to the specifications for half dollar coins contained in section 5112(b) of title 31, United States Code, with the dates and in the amounts, as follows:

Year	Amount
1995	Not more than 2,000,000 coins each of 2 coins of different designs.
1996	Not more than 3,000,000 coins each of 2 coins of different designs.

(d) LEGAL TENDER.—The coins issued under this title shall be legal tender as provided in section 5103 of title 31, United States Code.

SEC. 103. SOURCES OF BULLION.

(a) SILVER BULLION.—The Secretary shall obtain silver for the coins minted under this title only from stockpiles established under the strategic and Critical Materials Stock Piling Act.

(b) GOLD BULLION.—The Secretary shall obtain gold for the coins minted under this title pursuant to the authority of the Secretary under existing law.

SEC. 104. DESIGN.

(a) DESIGN REQUIREMENTS.—The design of the coins authorized under this title shall be emblematic of the participation of athletes from the United States of America in the Olympic Games culminating in the 1996 Centennial Olympic Games in Atlanta, Georgia. On each such coin there shall be a designation of the value of the coin, an inscription of the date of the coin as specified pursuant to section 102, and inscriptions of the words "Liberty," "In God We Trust," "United States of America," and "E Pluribus Unum."

(b) SELECTION OF DESIGN.—The Secretary shall select the design of each coin authorized hereunder after consultation with the Commission of Fine Arts, the American Numismatic Association, and the Atlanta Centennial Olympic Properties, a joint venture formed by the Atlanta Committee for the Olympic Games, Inc. and the United States Olympic Committee (hereinafter in this title referred to as "Atlanta Centennial Olympic Properties").

SEC. 105. ISSUANCE OF THE COINS.

(a) QUALITIES.—The coins authorized under this title shall be issued in uncirculated and proof qualities, except that not more than one facility of the United States Mint may be used to strike any particular combination of denomination and quality.

(b) SUNSET PROVISION.—No coins shall be minted under this title after December 31, 1996.

SEC. 106. SALE OF THE COINS.

(a) SALE PRICE.—Notwithstanding any other provisions of law, the coins authorized under this title shall be sold by the Secretary at a price equal to the face value, plus the cost of designing and issuing such coins (including labor, materials, dies, use of machinery, and overhead expenses).

(b) BULK SALES.—The Secretary shall make bulk sales at a reasonable discount.

(c) PREPAID ORDERS AT A DISCOUNT.—The Secretary shall accept prepaid orders for the coins prior to the issuance of such coins. Sales under this subsection shall be at a reasonable discount.

(d) CONSIGNMENT.—The Secretary may sell the coins authorized under this title on a consignment basis to selective consignees to the extent such action shall reasonably be expected to increase the sale of such coins.

(e) SURCHARGE REQUIRED.—All sales shall include a surcharge of \$50 per coin for the five dollar coins, \$10 per coin for the one dollar coins, and \$3 per coin for the clad coins.

(f) MARKETING.—The Secretary, in cooperation with Atlanta Centennial Olympic Properties, shall develop and implement a marketing program to promote and sell the coins authorized hereunder both within the United States and internationally.

SEC. 107. GENERAL WAIVER OF PROCUREMENT REGULATIONS.

(a) IN GENERAL.—Except as provided in subsection (b), no provision of law governing procurement or public contracts shall be applicable to the procurement of goods or services necessary for carrying out the provisions of this title.

(b) EQUAL EMPLOYMENT OPPORTUNITY.—Subsection (a) shall not relieve any person entering into a contract under the authority of this title from complying with any law relating to equal employment opportunity, except that no person shall be treated as a Federal contractor as a result of participating as a consignee of the United States Mint under section 106(d) for purposes of any reporting requirement with respect to any equal employment opportunity provision in any Federal procurement law.

SEC. 108. DISTRIBUTION OF SURCHARGES.

(a) IN GENERAL.—All surcharges which are received by the Secretary from the sale of coins issued under this title shall be promptly paid by the Secretary to Atlanta Centennial Olympic Properties.

(b) USE OF PROCEEDS.—

(1) IN GENERAL.—Amounts received under subsection (a) (net of expenses incurred by Atlanta Centennial Olympic Properties in connection with the coin program) shall be distributed equally to the Atlanta Committee for the Olympic Games, Inc. and the United States Olympic Committee.

(2) ATLANTA COMMITTEE FOR THE OLYMPIC GAMES.—Amounts distributed to the Atlanta Committee for the Olympic Games, Inc. may be used by the Atlanta Committee for the Olympic Games, Inc. to stage and promote the 1996 Atlanta Olympic Games.

(3) UNITED STATES OLYMPIC COMMITTEE.—Amounts distributed to the United States Olympic Committee shall be used by the United States Olympic Committee for the objects and purposes of the Committee as established in the Amateur Sports Act of 1978.

(c) AMERICAN GOODS AND SERVICES REQUIRED.—

(1) IN GENERAL.—Notwithstanding any other provision of law—

(A) only such unmanufactured articles, materials, and supplies as have been mined or produced in the United States;

(B) only such manufactured articles, materials, and supplies as have been manufactured in the United States substantially all from articles, materials, or supplies mined, produced, or manufactured in, and with services provided in, the United States; and

(C) only such services as are provided in the United States, shall be acquired, directly or indirectly, by the Atlanta Committee for the Olympic Games, Inc. or the United States Olympic Committee with amounts provided to such Committees under this section.

(2) EXCEPTION.—Paragraph (1) shall not apply with respect to the acquisition of any article, material, supply, or service, as the case may be, by the Atlanta Committee for the Olympic Games, Inc. or the United States Olympic Committee which is not described in such paragraph if such Committee determines that—

(A) the cost of acquiring the article, material, supply, or service described in paragraph (1) is unreasonably expensive;

(B) articles, materials, or supplies of the class or kind to be used or acquired, or the articles, materials, or supplies from which they are manufactured, are not mined, produced, or manufactured in, or services involved with such manufacture are not available in, the United States; or

(C) services of the class or kind to be acquired are not provided in the United States.

SEC. 109. AUDITS.

The Comptroller General shall have the right to examine such books, records, documents, and other data of Atlanta Centennial Olympic Properties, Atlanta Committee for the Olympic Games, Inc., and the United States Olympic Committee as may be related to the expenditure of amounts received by such entities under section 108.

SEC. 110. FINANCIAL ASSURANCES.

(a) NO NET COST TO THE GOVERNMENT.—The Secretary shall take all actions necessary to ensure that the issuance of the coins authorized by this title shall result in no net cost to the United States Government.

(b) ADEQUATE SECURITY FOR PAYMENT REQUIRED.—No coin shall be issued under this title unless the Secretary has received—

(1) full payment for such coin;

(2) security satisfactory to the Secretary to indemnify the United States for full payment of the coin;

(3) a guarantee of full payment satisfactory to the Secretary from a depository institution whose deposits are insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration Board; or

(4) an agreement acceptable to the Secretary that coins held in the custody of a consignee pursuant to section 106(d) are adequately secured.

SEC. 111. RECIPROCITY OF OLYMPIC COIN SALES.

With respect to any coin issued by a foreign country in commemoration of the 1996 Atlanta Centennial Olympic Games—

(1) the Secretary shall determine whether the foreign country accords (or, by January 1, 1995, will accord) the coins issued under this Act the same competitive treatment (including effective market access) as the United States accords the coins issued by the foreign country; and

(2) if not, the Secretary may ban the importation of such coins into the United States.

SEC. 112. REPORTS TO CONGRESS.

(a) REPORTS REQUIRED.—Not later than 15 days after the last day of each calendar quarter which ends before April 1, 1997, the Secretary shall transmit to the Committee on Banking, Finance, and Urban Affairs of the House of Representatives and the Committee on Banking, Housing and Urban Affairs of the Senate a report detailing activities carried out under this title during such quarter.

(b) CONTENTS OF REPORT.—The report shall include a review of all marketing activities under section 106 and a financial statement.

TITLE II—U.S. MINT REAUTHORIZATION

SEC. 201. SHORT TITLE.

This title may be cited as the "United States Mint Reauthorization and Reform Act of 1992".

Subtitle A—Reauthorization of Appropriations

SEC. 211. REAUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1993.

Section 5132(a) of title 31, United States Code, is amended—

(1) in paragraph (2)—

(A) by striking "\$46,511,000" and inserting "\$54,208,000"; and

(B) by striking "1988" and inserting "1993"; and

(2) by striking paragraphs (3) and (4).

Subtitle B—Reform of United States Mint Operations

SEC. 221. NUMISMATIC PUBLIC ENTERPRISE FUND ESTABLISHED.

(a) IN GENERAL.—Subchapter III of chapter 51 of subtitle IV of title 31, United States Code, is amended by adding at the end the following new section:

"§ 5134. Numismatic Public Enterprise Fund.

"(a) DEFINITIONS.—For purposes of this section—

"(1) FUND.—The term 'Fund' means the Numismatic Public Enterprise Fund.

"(2) MINT.—The term 'Mint' means the United States Mint.

"(3) NUMISMATIC ITEM.—The term 'numismatic item' means any medal, proof coin, uncirculated coin, bullion coin, or other coin specifically designated by statute as a numismatic item, including products and accessories related to any such medal, coin, or item.

"(4) NUMISMATIC OPERATIONS AND PROGRAMS.—The term 'numismatic operations and programs'—

"(A) means the activities concerning, and assets utilized in, the production, administration, sale, and management of numismatic items and the Numismatic Public Enterprise Fund; and

"(B) includes capital, personnel salaries, functions relating to operations, marketing, distribution, promotion, advertising, and official reception and representation, the acquisition or replacement of equipment, and the renovation or modernization of facilities (other than the construction or acquisition of new buildings).

"(5) SECRETARY.—The term 'Secretary' means the Secretary of the Treasury.

"(b) ESTABLISHMENT OF FUND.—There is hereby established in the Treasury of the United States a revolving Numismatic Public Enterprise Fund consisting of amounts deposited in the fund under subsection (c)(2) of this section or section 221(b) of the United States Mint Reauthorization and Reform Act of 1992 which shall be available to the Secretary for numismatic operations and programs of the United States Mint without fiscal year limitation.

"(c) OPERATIONS OF THE FUND.—

"(1) PAYMENT OF EXPENSES.—Any expense incurred by the Secretary for numismatic operations and programs which the Secretary determines, in the Secretary's sole discretion, to be ordinary and reasonable incidents of the numismatic business shall be paid out of the Fund, including any expense incurred pursuant to any obligation or other commitment of Mint numismatic operations and programs which was entered into before the beginning of fiscal year 1993.

"(2) DEPOSIT OF RECEIPTS.—All receipts from numismatic operations and programs shall be deposited into the Fund.

"(3) TRANSFER OF SEIGNIORAGE.—The Secretary shall transfer monthly from the Fund to the general fund of the Treasury an amount equal to the total amount on the seigniorage of numismatic items sold since the date of any preceding transfer.

"(4) EXPENSES OF CITIZENS COMMEMORATIVE COIN ADVISORY COMMITTEE.—For purposes of paragraph (1), any expense incurred by the Secretary in connection with the Citizens Commemorative Coin Advisory Committee established under section 5135 shall be treated as an expense incurred for numismatic operations and programs which is an ordinary and reasonable incident of the numismatic business.

"(5) TRANSFER OF EXCESS AMOUNTS TO THE TREASURY.—

"(A) IN GENERAL.—At such times as the Secretary determines to be appropriate, the Secretary shall transfer any amount in the Fund which the Secretary determines to be in excess of the amount required by the Fund to the Treasury for deposit as miscellaneous receipts.

"(B) REPORT TO CONGRESS.—The Secretary shall submit an annual report to the Congress containing—

"(i) a statement of the total amount transferred to the Treasury pursuant to subparagraph (A) during the period covered by the report;

"(ii) a statement of the amount by which the amount on deposit in the Fund at the end of the period covered by the report exceeds the estimated operating costs of the Fund for the 1-year period beginning at the end of such period; and

"(iii) an explanation of the specific purposes for which such excess amounts are being retained in the Fund.

"(d) BUDGET TREATMENT.—

"(1) IN GENERAL.—The Secretary shall prepare budgets for the Fund, and estimates and statements of financial condition of the Fund in accordance with the requirements of section 9103 which shall be submitted to the President for inclusion in the budget submitted under section 1105.

"(2) INCLUSION IN ANNUAL REPORT.—Statements of the financial condition of the Fund shall be included in the Secretary's annual report on the operation of the Mint.

"(3) TREATMENT AS WHOLLY OWNED GOVERNMENT CORPORATION FOR CERTAIN PURPOSES.—Section 9104 shall apply to the Fund to the

same extent such section applies to wholly owned Government corporations.

“(e) FINANCIAL STATEMENTS, AUDITS, AND REPORTS.—

“(1) ANNUAL FINANCIAL STATEMENT REQUIRED.—By the end of each calendar year, the Secretary shall prepare an annual financial statement of the Fund for the fiscal year which ends during such calendar year.

“(2) CONTENTS OF FINANCIAL STATEMENT.—Each statement prepared pursuant to paragraph (1) shall, at a minimum, reflect—

“(A) the overall financial position (including assets and liabilities) of the Fund as of the end of the fiscal year;

“(B) the results of the numismatic operations and programs of the Fund during the fiscal year;

“(C) the cash flows or the changes in financial position of the Fund; and

“(D) a reconciliation of the financial statement to the budget reports of the Fund.

“(3) ANNUAL AUDITS.—

“(A) IN GENERAL.—Each annual financial statement prepared under paragraph (1) shall be audited—

“(i) by—

“(I) an independent external auditor; or

“(II) the Inspector General of the Department of the Treasury,

as designated by the Secretary; and

“(ii) in accordance with the generally accepted Government auditing standards issued by the Comptroller General of the United States.

“(B) AUDITOR'S REPORT REQUIRED.—The auditor designated to audit any financial statement of the Fund pursuant to subparagraph (A) shall submit a report—

“(i) to the Secretary by March 31 of the year beginning after the end of the fiscal year covered by such financial statement; and

“(ii) containing the auditor's opinion on—

“(I) the financial statement of the Fund;

“(II) the internal accounting and administrative controls and accounting systems of the Fund; and

“(III) the Fund's compliance with applicable laws and regulations.

“(4) ANNUAL REPORT ON FUND.—

“(A) REPORT REQUIRED.—By April 30 of each year, the Secretary shall submit a report on the Fund for the most recently completed fiscal year to the President, the Congress, and the Director of the Office of Management and Budget.

“(B) CONTENTS OF ANNUAL REPORT.—The annual report required under subparagraph (A) for any fiscal year shall include—

“(i) the financial statement prepared under paragraph (1) for such fiscal year;

“(ii) the audit report submitted to the Secretary pursuant to paragraph (3)(B) for such fiscal year;

“(iii) a description of activities carried out during such fiscal year;

“(iv) a summary of information relating to numismatic operations and programs contained in the reports on systems on internal accounting and administrative controls and accounting systems submitted to the President and the Congress under section 3512(c);

“(v) a summary of the corrective actions taken with respect to material weaknesses relating to numismatic operations and programs identified in the reports prepared under section 3512(c);

“(vi) any other information the Secretary considers appropriate to fully inform the Congress concerning the financial management of the Fund; and

“(vii) a statement of the total amount of excess funds transferred to the Treasury.

“(5) MARKETING REPORT.—

“(A) REPORT REQUIRED FOR 10 YEAR.—For each fiscal year beginning before fiscal year 2003, the Secretary shall submit an annual report on all marketing activities and expenses of the Fund to the Congress before the end of the 3-month period beginning at the end of such fiscal year.

“(B) CONTENTS OF REPORT.—The report submitted pursuant to subparagraph (A) shall contain a detailed description of—

“(i) the sources of income including surcharges; and

“(ii) expenses incurred for manufacturing, materials, overhead, packaging, marketing, and shipping.”

(b) INITIAL FUNDING OF FUND FROM EXISTING NUMISMATIC OPERATIONS.—

(1) IN GENERAL.—As soon as practicable after the end of fiscal year 1992, the Secretary of the Treasury shall transfer to the Fund—

(A) from the Mint's numismatic profits for such fiscal year, an amount which the Secretary determines to be necessary—

(i) to meet existing numismatic liabilities and obligations; and

(ii) to provide working capital for Mint numismatic operations and programs; and

(B) all numismatic receivables, and the numismatic operations and programs (including liabilities and other obligations) of the United States Mint, and the land and buildings of the San Francisco Mint, the Old San Francisco Mint, and the West Point Mint, capitalized at current book value as carried in the Mint combined statement of financial condition.

(2) EXCESS AMOUNTS TO BE DEPOSITED IN THE GENERAL FUND.—That portion of the total amount of numismatic profits for fiscal year 1992 which remains after the transfer to the Fund pursuant to paragraph (1)(A) is made shall be deposited by the Secretary in the general fund of the Treasury as soon as practicable after the end of the fiscal year.

(3) DEFINITIONS.—For purposes of paragraphs (1) and (2)—

(A) NUMISMATIC PROFIT.—The term “numismatic profit” means the amount which is equal to the proceeds (including seigniorage) from the sale of numismatic items minus the costs of numismatic operations and programs.

(B) NUMISMATIC RECEIVABLE.—The term “numismatic receivable” means any account receivable from numismatic operations and programs, including chargebacks, returned checks, amounts due from special order sales, and amounts due from consignment sales.

(C) OTHER TERMS.—The terms “Fund” and “numismatic item” have the meaning given to such terms in the amendment made by subsection (a).

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 5132(a)(1) of title 31, United States Code, is amended—

(A) by striking the 2d sentence and inserting the following new sentence: “Expenditures made from appropriated funds which are subsequently determined to be properly chargeable to the Numismatic Public Enterprise Fund established by section 5134 shall be reimbursed by such Fund to the appropriate.”; and

(B) by striking the last sentence and inserting the following new sentence: “Except with respect to amounts deposited in the Numismatic Public Enterprise Fund in accordance with section 5134, the Secretary may not use amounts the Secretary receives from profits on minting coins or from charges on

gold or silver bullion under section 5122 to pay officers and employees.”

(2) Effective October 1, 1992, the following provisions of law are hereby repealed:

(A) Section 2(f) of the Gold Bullion Coin Act of 1985.

(B) Section 8 of the Dwight David Eisenhower Commemorative Coin Act of 1988.

(C) Section 10 of the Mount Rushmore Commemorative Coin Act.

(D) Section 12 of the United Service Organization's 50th Anniversary Commemorative Coin Act.

(E) Section 10 of the 1992 Olympic Commemorative Coin Act.

(F) Section 10 of the Korean War Veterans Memorial Thirty-Eighth Anniversary Commemorative Coin Act.

(G) Section 110 of the 1992 White House Commemorative Coin Act.

(H) Section 210 of the World Cup USA 1994 Commemorative Coin Act.

(I) Section 410 of the Frank Annunzio Act.

(d) CLERICAL AMENDMENT.—The table of sections for subchapter III of chapter 51 of subtitle IV of title 31, United States Code, is amended by inserting after the item relating to section 5133 the following new item:

“5134. Numismatic Public Enterprise Fund.”

(e) SCOPE OF APPLICATION.—The amendments made by this section shall apply with respect to fiscal years beginning after fiscal year 1992.

SEC. 222. COST OF COIN BAGS AND PALLETS INCLUDED WITHIN MEANING OF COST OF DISTRIBUTING COINS.

The 4th sentence of section 5111(b) of title 31, United States Code, is amended by inserting “, including the cost of coin bags and pallets” before the period.

SEC. 223. PROTECTION OF THE NAME “UNITED STATES MINT”.

Section 709 of title 18, United States Code, is amended by inserting immediately after the 11th undesignated paragraph the following new paragraph:

“Whoever, except with the written permission of the Director of the United States Mint, knowingly uses the words ‘United States Mint’ or ‘U.S. Mint’ or any colorable imitation of such words, in connection with any advertisement, circular, book, pamphlet, or other publication, play, motion picture, broadcast, telecast, or other production, in a manner reasonably calculated to convey the impression that such advertisement, circular, book, pamphlet, or other publication, play, motion picture, broadcast, telecast, or other production, is approved, endorsed, or authorized by or associated in any manner with, the United States Mint; or”

SEC. 224. REPAIR AND IMPROVEMENT OF THE UNITED STATES MINT AT PHILADELPHIA.

Section 5131 of title 31, United States Code, is amended by striking subsection (e).

SEC. 225. TECHNICAL AMENDMENTS RELATING TO THE REDESIGNATION OF THE BUREAU OF THE MINT AS THE UNITED STATES MINT.

(a) REDESIGNATION OF THE BUREAU OF THE MINT AS THE UNITED STATES MINT.—Section 304(a) of title 31, United States Code, is amended by striking “Bureau of the Mint” and inserting “United States Mint”.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 304(b)(1) of title 31, United States Code, is amended by striking “Bureau” and inserting “Mint”.

(2) The heading for section 304 of title 31, United States Code, is amended to read as follows:

"§ 304. United States Mint".

(3) The 1st sentence of section 5131(a) of title 31, United States Code, and the 1st and 3d sentences of section 5132(a) of such title are each amended by striking "Bureau of the Mint" each place such term appears and inserting "United States Mint".

(4) Sections 5131(b) and 5132(c) of title 31, United States Code, are each amended by striking "Bureau" and inserting "United States Mint".

(5) The heading for subchapter III of chapter 51 of title 31, United States Code, is amended to read as follows:

**"SUBCHAPTER III—UNITED STATES
MINT".**

(6) The table of sections for chapter 51 of title 31, United States Code, is amended by striking the item relating to subchapter III of such chapter and inserting the following:

**"SUBCHAPTER III—UNITED STATES
MINT".**

SEC. 226. CLARIFICATION OF LAW RELATING TO THE CODIFICATION OF TITLE 31, UNITED STATES CODE.

(a) INSCRIPTION REQUIREMENTS.—Section 5112(d)(1) of title 31, United States Code, is amended—

(1) in the 1st sentence, by inserting "shall" before "have"; and

(2) in the 2d and 3d sentences, by striking "has" and inserting "shall have".

(b) CURRENCY REDEMPTION REQUIREMENT.—Section 5119(b)(2) of title 31, United States Code, is amended to read as follows:

"(2) REDEMPTION, CANCELLATION, AND DESTRUCTION OF CURRENCY.—The Secretary shall—

"(A) redeem any currency described in paragraph (1) from the general fund of the Treasury upon presentment to the Secretary; and

"(B) cancel and destroy such currency upon redemption."

SEC. 227. GENERAL WAIVER OF PROCUREMENT REGULATIONS FOR GOLD AND SILVER BULLION COINS.

Section 5112 of title 31, United States Code, is amended by adding at the end the following new subsection:

"(J) GENERAL WAIVER OF PROCUREMENT REGULATIONS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), no provision of law governing procurement or public contracts shall be applicable to the procurement of goods or services necessary for minting, marketing, or issuing any coin authorized under paragraph (7), (8), (9), or (10) of subsection (a) or subsection (e), including any proof version of any such coin.

"(2) EQUAL EMPLOYMENT OPPORTUNITY.—Paragraph (1) shall not relieve any person entering into a contract with respect to any coin referred to in such paragraph from complying with any law relating to equal employment opportunity."

SEC. 228. AUTHORITY OF THE SECRETARY OF THE TREASURY TO CHANGE THE SIZE, WEIGHT, DESIGN, AND ALLOY OF GOLD BULLION COINS.

Section 5112(i) of title 31, United States Code, is amended by adding at the end the following new paragraph:

"(4)(A) Notwithstanding any other provision of law and subject to subparagraph (B), the Secretary of the Treasury may change the diameter, weight, or design of any coin minted under this subsection or the fineness of the gold in the alloy of any such coin if the Secretary determines that the specific diameter, weight, design, or fineness of gold which differs from that otherwise required by law is appropriate for such coin.

"(B) The Secretary may not mint any coin with respect to which a determination has been made by the Secretary under subparagraph (A) before the end of the 30-day period beginning on the date a notice of such determination is published in the Federal Register."

SEC. 229. CITIZENS COMMEMORATIVE COIN ADVISORY COMMITTEE.

(a) IN GENERAL.—Subchapter III of chapter 51 of subtitle IV of title 31, United States Code, is amended by inserting after section 5134 (as added by section 221 of this subtitle) the following new section:

"§ 5135. Citizens Commemorative Coin Advisory Committee

"(a) ESTABLISHMENT REQUIRED.—

"(1) IN GENERAL.—The Secretary of the Treasury shall establish a Citizens Commemorative Coin Advisory Committee (hereafter in this section referred to as the 'Advisory Committee') to advise the Secretary on the selection of subjects and designs for commemorative coins.

"(2) OVERSIGHT OF ADVISORY COMMITTEE.—The Advisory Committee shall be subject to the direction of the Secretary of the Treasury.

"(3) MEMBERSHIP.—

"(A) VOTING MEMBERS.—The Advisory Committee shall consist of 7 members appointed by the Secretary of the Treasury—

"(i) 3 of whom shall be appointed from among individuals specially qualified to serve on the committee by reason of their education, training, or experience in art, art history, museum or numismatic collection curation, or numismatics;

"(ii) 1 of whom shall be appointed from among officers or employees of the United States Mint who will represent the interests of the Mint; and

"(iii) 3 of whom shall be appointed from among individuals who will represent the interest of the general public.

"(B) NONVOTING MEMBER.—A member of the Commission of Fine Arts may participate in the proceedings of the Advisory Committee as a nonvoting member.

"(4) TERMS.—No individual shall be appointed to serve as a member of the Advisory Committee for a term in excess of 5 years.

"(5) COMPENSATION; TRAVEL EXPENSES.—

"(A) NO COMPENSATION.—Members of the Advisory Committee shall serve without pay.

"(B) TRAVEL EXPENSES.—Members of the Advisory Committee shall be entitled to receive travel or transportation expenses, or a per diem allowance in lieu of expenses, while away from such member's home or place of business in connection with such member's service on the Advisory Committee.

"(6) FUNDING.—The expenses of the Advisory Committee which the Secretary of the Treasury determines are reasonable and appropriate shall be paid by the Secretary in the manner provided in section 5134.

"(b) DUTIES.—

"(1) PREPARATION OF PROPOSALS FOR COMMEMORATIVE COINS FOR 5-YEAR PERIOD.—The Advisory Committee shall—

"(A) designate annually the events, persons, or places that the Advisory Committee recommends be commemorated by the issuance of commemorative coins in each of the 5 calendar years succeeding the year in which such designation is made;

"(B) make recommendations with respect to the mintage level for any commemorative coin recommended under subparagraph (A); and

"(C) submit a report to the Congress containing a description of the events, persons, or places which the Committee recommends

be commemorated by a coin, the mintage level recommended for any such commemorative coin, and the committee's reasons for such recommendations.

"(2) DESIGN SELECTION.—The Advisory Committee shall review proposed designs for commemorative coins and provide recommendations to the Secretary of the Treasury with respect to such proposals.

"(c) FEDERAL ADVISORY COMMITTEE ACT NOT APPLICABLE.—The Federal Advisory Committee Act shall not apply to the Advisory Committee."

(b) CLERICAL AMENDMENT.—The table of sections for subchapter III of chapter 51 of subtitle IV of title 31, United States Code, is amended by inserting after the item relating to section 5134 (as added by section 211 of this subtitle) the following new item:

"5135. Numismatic Public Enterprise Fund."

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. TORRES] will be recognized for 20 minutes, and the gentleman from California [Mr. MCCANDLESS] will be recognized for 20 minutes. The Chair recognizes the gentleman from California [Mr. TORRES].

Mr. TORRES. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, I rise in support of the 1996 Atlanta Centennial Olympic Games Commemorative Coin Act.

I am delighted that the subcommittee has been able to support the U.S. effort for the 1996 Olympic Games to be held in Atlanta, GA. Our country and specifically the city of Atlanta have the privilege of hosting the Centennial of the Olympic Games.

I have worked closely with my esteemed colleague from the State of Georgia, Mr. BARNARD, to craft an excellent bill. I appreciate his willingness to work with me and my staff to make some changes that will not only help the 1996 Olympic Coin Program, but also help the U.S. Mint in all of its programs.

I ask my colleagues to support the bill and support the U.S. Olympic effort. Our athletes need our support to continue to train for the Olympics.

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

Mr. MCCANDLESS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased and I want to repeat that, I am pleased to rise in strong support of the DOUG BARNARD, JR.—1996 Atlanta Centennial Olympic Games Commemorative Coin Act.

Our Olympic athletes represent us, the American people.

We, as a nation, have every right to be proud of our athletes, and in their competitive skills.

Because our Olympic athletes do not receive Government subsidies, a coin program is an ideal means by which to raise the funds necessary to participate in the international games.

A commemorative coin program gives all Americans an opportunity to support our athletes and to share in their efforts.

The 1996 Summer Olympics will generate a very high level of interest for two reasons.

First, they will be the centennial games, commemorating the 100th anniversary of the re-establishment of the ancient tradition.

And second, the games will be in the United States, in the city of Atlanta.

I must admit that when I first saw the 2 year, multicoin, proposal, I had some reservations about the size and scope of the program.

However, after hearings on the bill, I repeat that, after hearings on the bill, and upon review of the detailed analysis which accompanied the proposal, it seemed to be a rather innovative approach.

Because we are talking about the Centennial Olympics, here in the United States, I am willing to support a very broad program.

In closing, I am very pleased to note that the Subcommittee on Consumer Affairs and Coinage adopted an amendment, which I offered, to the title of this bill.

That amendment honors our distinguished colleague from Georgia, DOUG BARNARD, who, after 16 years in the House of Representatives, is retiring.

Few people in Congress command the respect and admiration from both sides of the aisle, I might add, as does DOUG BARNARD.

Few Members of Congress have the expertise and experience that our colleague from Georgia brought to the House and to the Banking Committee, and we are always indebted.

Those of us who have had the honor and the privilege to serve with DOUG, and who have benefited from his wise counsel and friendship over the years, know how much he will be missed.

I support this legislation, and I reserve the balance of my time.

Mr. TORRES. Mr. Speaker, I thank my colleague from California, the ranking minority member of our subcommittee, for agreeing with us on this measure. In fact, I thank him for having introduced the title of the bill, the DOUG BARNARD, Jr.—1996 Atlanta Centennial Olympic Games Commemorative Coin Act, and certainly the name and the title of that act is well deserved for the gentleman from Atlanta.

Mr. Speaker, I yield such time as he may consume to the gentleman from Atlanta, GA [Mr. BARNARD] to speak on this act.

Mr. BARNARD. Mr. Chairman, at the outset I certainly want to thank the chairman of this distinguished committee, the gentleman from California [Mr. TORRES] for the support that he has given us in producing this very fine bill, H.R. 3654, the Atlanta coin bill. And certainly I want to thank the gentleman from California [Mr. MCCANDLESS] my dear friend, for his kindness and courtesy in identifying the title of this bill as he has so done. I am cer-

tainly honored by this designation, I am humbled by it, and I am very proud of it.

This is an historic moment this morning as we pass this bill, not because of the title but because of the fact that in 1996 we will be observing the 100th anniversary of the modern-day Olympics, and it will be in the United States. That is very important. But just as important to me is the fact that it is going to be in my home State of Georgia, and we are very proud. We are working hard to make this one of the best if not the best Olympics in the last century, and we are very proud of that and working very hard toward that.

This bill that we are bringing before the House tonight is no exception from the standpoint of hard work. As the gentleman from California [Mr. MCCANDLESS] has said, we have diligently prepared marketing studies, we have worked with the numismatics of the country, we have worked in order to structure a bill that would be as ideal as far as the coin program could be, and with great pride I can recommend it to the Members of the House this morning.

Mr. Speaker, I would appreciate very much if the gentleman from California [Mr. TORRES], chairman of the subcommittee, would enter into a colloquy.

Mr. TORRES. If the gentleman will yield, I am pleased to engage in a colloquy with my colleague from Atlanta.

Mr. BARNARD. Mr. Chairman, these Olympic coins have tremendous sales potential. Is it the intent of Committee on Banking, Finance and Urban Affairs that the U.S. Mint employ creativity and aggressiveness in marketing the coins under this act in order to maximize sales of the coins?

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Mr. TORRES. The gentleman is correct. The committee expects the mint to work with the Atlanta Committee for the Olympic games to prepare an advertising budget which really reflects the increased markets and tremendous potential of this program.

Mr. BARNARD. Is it the committee's intent that the mint pursue the reestablishment of a successful consignment program?

Mr. TORRES. That is correct. I can attest to that. Yes.

Mr. BARNARD. Does the committee expect the mint to build on the international marketing program developed through the World Cup Coin Program, and develop a budget for international sales taking into account the growth based on that very worthwhile program?

Mr. TORRES. Yes. The World Cup Soccer Coin Program does have great international sales potential. The committee does indeed expect the mint to build on that potential in the Atlanta Olympic Program.

Mr. BARNARD. A successful marketing effort depends on coordination with the promotional efforts related to the Olympic games. In order to maximize sales, the mint must work with the marketing partnership of the USOC and ACOG, Atlanta Centennial Olympic Properties. Is it the committee's intent that the mint cooperate and coordinate its marketing efforts with Atlanta Centennial Olympic Properties, and consult with it as the mint solicits and selects providers of advertising and public relation services?

Mr. TORRES. Yes, the gentleman is correct on that, too.

Mr. BARNARD. The Olympic Coin Program is going to be a large one, designed to sell coins in the United States and throughout the world. Marketing and sales decisions must take into account the three markets that must be effectively serviced—the collector, souvenir, and international. Does the committee intend that the mint include both the souvenir and international markets in the initial pre-issue and bulk offerings, and that the mint consider utilizing more flexible plans for selling coins to collectors?

Mr. TORRES. That is the intent of the committee, making sure that there is an effective marketing program and that it is carried out with other mint coin programs. The gentleman is probably aware, I say to the gentleman from Georgia [Mr. BARNARD], that I and the committee have been guaranteeing that the mint carry out this type of program with the world soccer coin as well.

Mr. BARNARD. Well, I thank the chairman for that statement, and as he knows and we all know, on this committee, good coin design is essential to the successful coin program. Does the committee expect the mint to use marketing experts or focus groups in evaluating coin design to ensure marketability?

Mr. TORRES. Yes, indeed, it does. The committee believes that coin designs must be evaluated for their appeal to purchasers, as with the marketing practices that I just mentioned; the committee believes that experts should participate in evaluating the esthetic aspects of good coin design to ensure that collectors and the numismatic community is satisfied out there in the collector community.

Mr. BARNARD. I want to thank the distinguished chairman for this colloquy and, at the same time, thank him for his cooperation throughout in this bill, and also the participation of the staff, who have done an excellent job in helping us forge this legislation.

Mr. TORRES. I thank the gentleman from Georgia, and I once again congratulate him for having the name of this act carried with him, once again, indicating the tremendous service that he has provided not only for the State of Georgia but to the Members and to

this Congress of the United States. I thank the gentleman.

Mr. McCANDLESS. Mr. Chairman, I yield such time as he may consume to the distinguished ranking minority member of the Committee on Banking, Finance and Urban Affairs, the gentleman from Ohio [Mr. WYLIE].

Mr. WYLIE. Mr. Speaker, I thank my friend, the gentleman from California, for yielding me this time again.

I am pleased that the gentleman from California [Mr. McCANDLESS] is supporting this legislation. It makes it a lot easier for me.

But I rise to commend the gentleman from Georgia [Mr. BARNARD] for introducing the bill on behalf of the entire Georgia delegation.

I rise to day in strong support of H.R. 3654, the Doug Barnard, Jr.—1996 Atlanta Centennial Olympic Games Commemorative Coin Act. I would like to commend Subcommittee Chairman TORRES for moving this bill through the committee in a timely manner and I am pleased Congressman McCANDLESS is supporting this legislation.

I would especially like to commend Congressman BARNARD for introducing this bill on behalf of the entire Georgia delegation. I would also like to take this opportunity to say that my dear friend and colleague, Mr. BARNARD, he will be missed after 16 years in the House of Representatives. The contributions he has made to both the Banking Committee and the House of Representatives have been invaluable, and his retirement will be a tremendous loss to this institution and to those of us who have had the privilege to work closely with him. It is most appropriate that this coin bill be named in his honor.

The United States has been given the rare opportunity to host the Olympic summer games in 1996 and, in addition, to host the 100th anniversary of the modern Olympics. The United States, however, is the only country which does not use Government funds to support its athletes.

Therefore, revenue generated from this coin program is greatly needed to help ensure that enough private funds are raised to host the games and to support our athletes.

The Olympic game committees, the Olympic athletes, the mint, and the coin collectors have all expressed their strong dedication to making this coin program a success. I urge my colleagues to support the 1996 Olympic Coin Program to allow our American citizens to contribute toward an event which symbolizes patriotism, talent, and the spirit of competition.

Mr. McCANDLESS. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia [Mr. GINGRICH], the distinguished minority whip.

Mr. GINGRICH. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I wanted to say thank you, first of all, to the bipartisan leadership on the subcommittee for reporting this bill and to congratulate my good friend, the gentleman from Georgia [Mr. BARNARD], for having this bill named for him.

You know, he has bipartisan respect for the job he has done, not just in banking, but as a Member of this body. We are going to miss him in the Georgia delegation, and I think on a bipartisan basis throughout the House.

I wanted to rise both to recognize his role and also to indicate my strong support for this bill.

It is a tremendous thing for Atlanta to have the 100th anniversary of the modern Olympics in Atlanta in 1996. It is a great opportunity and one that, under Billy Payne's leadership, we are all working together to try to ensure that Atlanta and the United States live up to creating the finest Olympics ever.

With the money which I understand may amount to as much as \$100 million, divided between the U.S. Olympic Committee and the Atlanta Olympic Committee, coming out of this bill on a voluntary basis from those citizens that want to participate, this is a major step forward in making sure the Olympics are truly a remarkable and memorable event in Atlanta.

But I want to thank the committee, both the chairman, the gentleman from California [Mr. TORRES], the ranking member, the gentleman from California [Mr. McCANDLESS], and I want to thank all of the folks who helped us, and, again, I just want to say to the gentleman from Georgia [Mr. BARNARD], thank you for all of your leadership. We are going to miss you. I think this is a very, very appropriate bill to name for you.

Mr. McCANDLESS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. TORRES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have had much discussion tonight about Georgia, indeed, in thanking our colleague, the gentleman from Georgia [Mr. BARNARD].

I would be remiss if I did not correct the RECORD and say that although we have talked a lot about Atlanta tonight, he is not from Atlanta. He is from Augusta, GA, and I would like to correct the RECORD to that degree.

Mr. ROWLAND. Mr. Speaker, I rise in strong support of H.R. 3654, the Doug Barnard, Jr. 1996 Atlanta Centennial Olympic Games Commemorative Coin Act.

As we look toward the upcoming Olympic games in Barcelona, I believe that we can begin to get even more excited about hosting the games in our own country. In only 4 short years the City of Atlanta and the State of Georgia have the honor of being host to the 1996 Olympics.

It is time to plan and prepare to host the finest Olympic games ever held. We must have

the resources necessary to fund the requirements that go along with the 1996 games. The Olympic Coin bill will produce an estimated \$100 million dollars that will be used to stage the 1996 games in Atlanta, GA.

I am pleased that this coin bill bares the name of my good friend and fellow Georgian, Doug Barnard, who worked so hard to bring this bill to the floor. We certainly will miss Doug next year.

I ask my colleagues to join me in support of this bill that will serve as a means of generating revenue to promote the 1996 Olympic games.

GENERAL LEAVE

Mr. BARNARD. 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. 3654, the bill now under consideration.

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

There was no objection.

Mr. DARDEN. Mr. Speaker, I rise today in strong support of the Doug Barnard, Jr. 1996 Atlanta Centennial Olympic Games Commemorative Coin Act.

As many of you know, 1991 was an amazing year in the sports life of Atlanta, which had once been designated by Sports Illustrated as "Loserville." Evander Holyfield became the heavyweight champion of the world. Georgia Tech was the national collegiate football champions. The Atlanta Braves won the National League pennant. And, Atlanta was designated as the host for the 1996 Summer Olympic games.

But while the awarding of the Olympics was important to Atlanta, it was more important to our Nation. Competing with cities throughout the world for the honor of hosting the 1996 Olympics, Atlanta, and the United States, was found to be the city with the most promise and potential for a successful Olympiad. The entire Nation applauded the International Olympic Committee's decision.

But now, the real work begins. We must come together as a nation to promote and fund these games. The 1996 Olympics will require tremendous time, dedication, organization, and funding to be successful. This Commemorative Coin Act, which has been named after my friend and colleague, is the first step toward funding these games. I urge the support of the House.

Mr. McMILLEN of Maryland. Mr. Speaker, I rise in strong support of H.R. 3654.

The honor of participating in the 1972 Munich games was one of the most exciting times of my life. I feel strongly that the Olympic games are among the finest traditions in the human experience. Through the spirit of friendly competition, political and ideological differences are put aside, and the drive towards human excellence is fostered.

H.R. 3654, the Olympic coin legislation, is an important component of the Olympic movement, for it is one of the key avenues of providing funding for our Olympic athletes.

As many know, the United States remains one of the only nations in the world which does not provide direct funding to Olympic

athletes. While the private sector plays the greatest role in providing assistance to our Olympians, the coin bill provides needed funding at no cost to the U.S. taxpayer.

The revenue generated by the coin bill creates the kind of crucial support for athletes which allows them the time to train for the games. It allows for the flexibility without which Olympic careers remain nothing more than dreams.

The coin legislation also provides funding for grassroots programs, funding for training equipment and facilities at the Olympic training centers, and other uses. The revenue raised by H.R. 3654 through its surcharges will also benefit the Atlanta Committee on the Olympic Games and the U.S. Olympic Committee. While it is not the only source of revenue for the U.S. Olympic movement, it is an important one, and has a proven track record, both for the 1984 games, as well as the 1988 games.

As a former Olympian, I understand the keen importance of amateur athletics, and how important funding or the lack of funding is to an Olympic career. Consequently, I commend Chairman TORRES and Representative BARNARD for their efforts on this legislation, and urge passage of H.R. 3654.

Mr. TORRES. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. TORRES] that the House suspend the rules and pass the bill, H.R. 3654, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: Amend the title so as to read: "An Act To provide for the minting of commemorative coins to support the 1996 Atlanta Centennial Olympic Games and the programs of the United States Olympic Committee, to reauthorize and reform the United States Mint, and for other purposes."

A motion to reconsider was laid on the table.

FOOD SECURITY ACT OF 1985 AMENDMENTS

Mr. DE LA GARZA. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 2780) to amend the Food Security Act of 1985 to remove certain easement requirements under the conservation reserve program, and for other purposes.

The Clerk read as follows:

S. 2780

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REMOVAL OF CERTAIN EASEMENT REQUIREMENTS UNDER CONSERVATION RESERVE PROGRAM.

(a) CONSERVATION RESERVE.—Section 1231(b)(4)(C) of the Food Security Act of 1985 (16 U.S.C. 3831(b)(4)(C)) is amended by striking "and made subject to an easement for the useful life of,".

(b) CONVERSION OF LAND SUBJECT TO CONTRACT TO OTHER CONSERVING USES.—Section 1235A(a)(2) of such Act (16 U.S.C. 3835a(a)(2)) is amended—

(1) by striking subparagraph (A) and inserting the following new subparagraph:

"(A) EXTENSION OF CONTRACT.—With respect to a contract that is modified under this section that provides for the planting of hardwood trees, windbreaks, shelterbelts, or wildlife corridors, if the original term of the contract was less than 15 years, the owner or operator may extend the contract to a term of not to exceed 15 years."

(2) by striking subparagraph (B); and

(3) by redesignating subparagraph (C) as subparagraph (B).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas [Mr. DE LA GARZA] will be recognized for 20 minutes and the gentleman from Missouri [Mr. COLEMAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 2780, and recommend its adoption by the Members of the House.

S. 2780 would amend the Food Security Act of 1985 to remove certain easement requirements under the conservation reserve program. These requirements have become an unintended impediment to enrollment of additional lands in the conservation reserve program [CRP]. The elimination of these requirements is necessary to restore interest in the enrollment in the CRP of certain lands to provide cost-effective soil erosion and water quality protection in many areas of the Midwest.

The problem that this legislation seeks to correct is related to a provision in the Food, Agriculture, Conservation, and Trade Act [FACTA] of 1990 which requires that certain conservation plantings be protected with an easement covering their useful life in order to qualify for enrollment in the conservation reserve program [CRP]. Thus, croplands that are newly established living snow fences, permanent wildlife habitat, windbreaks, shelterbelts, or filterstrips devoted to trees or shrubs must be made subject to an easement for the useful life of the plantings in order to qualify for entry into the CRP during the 1991 through 1995 calendar years.

The problem is that in developing the regulations for the CRP, as amended by the 1990 FACTA, the Department of Agriculture extended the useful life easement requirements to other lands which might qualify for conservation reserve enrollment. This includes croplands that are newly created, permanent grass sod waterways, or are contour grass sod strips established and maintained as part of an approved conservation plan. These were also made subject to a useful life easement in order to qualify for enrollment. While this was not the Congress' intention in

adopting this portion of the legislation, the decision of the Department of Agriculture to extend the useful life easement requirements to include grass sod waterways and strips has apparently reduced interest among farmers in enrolling these lands in the conservation reserve.

In order to eliminate this disincentive, S. 2780 would drop the useful life easement requirement as a condition of eligibility for enrollment in the CRP. In addition, S. 2780 would strike the provision of current law that requires easements to be placed on any highly erodible cropland subject to an existing CRP contract that the owner wishes to convert to windbreaks, shelterbelts, or wildlife corridors.

I would like to stress that my support for S. 2780 should not in any way be interpreted to diminish my commitment or that of the Committee on Agriculture to other easement programs which were a part of the FACTA, such as the wetland reserve program [WRP] and the environmental easement program.

The WRP has been particularly well-received, with interest in enrollment far exceeding the resources available for easements. I would recommend no changes in this program except additional funding to permit its full implementation.

Mr. Speaker, the Department of Agriculture supports the enactment of S. 2780 and intends to implement it as a part of future signups for the CRP.

I urge my colleagues to support the passage of S. 2780.

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

Mr. COLEMAN of Missouri. Mr. Speaker, I rise in support of S. 2780, a bill to remove certain easement requirements provided for in the Conservation Reserve Program established under the Food Security Act of 1985.

This Senate bill was referred to our committee and favorably reported by voice vote on June 25, 1992.

This bill makes two relatively minor but important amendments to section 1231(b)(4)(C) and section 1235A(a)(2) of the Food Security Act of 1985 (FS Act).

The first amendment (section 1231(b)(4)(C)) would provide that certain highly erodible croplands enrolled under contract in the CRP Program that are planted to hardwood trees, windbreaks, shelterbelts, or wildlife corridors will no longer be made subject to an easement for the useful life of such conservation practices.

The second amendment would amend section 1235A(a)(2) of the FS Act of 1985 by rewording subparagraph (A) so as to continue to permit CRP contracts where the owner has converted the highly erodible cropland from vegetative cover to hardwood trees, windbreaks, shelterbelts, or wildlife corridors to extend the contract to 15 years and deleting subparagraph (B)

that requires such windbreaks etc. be subject to a conservation easement for the useful life of such plantings.

I am advised by representatives of USDA that these easement restrictions that were placed on certain highly erodible cropland devoted to relatively permanent conservation practices were for periods of 15 or 30 years. The easement areas were often required to be surveyed at some expense and a deed restriction filed in the local county recorder of deeds (or equivalent) office.

USDA representatives advise that on certain CRP sign-up periods as many as 80 percent of the bidders refused to enter contracts if they entailed such easements. They also advise that if a participant in the CRP Program agrees to extend the contract to 15 years and plant more permanent cover on a portion of the land, the amount the producer would be eligible to receive for the cost-sharing of payments from USDA for establishing the more permanent-type of cover to the land would have deducted therefrom any cost-sharing payment made to the producer for the vegetative cover planted earlier.

Farm groups, such as the American Farm Bureau Federation, support this bill, as does the U.S. Department of Agriculture. I urge the passage of S. 2780.

□ 0030

Mr. COLEMAN of Missouri. Mr. Speaker, I yield back the balance of my time.

Mr. DE LA GARZA. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. McDERMOTT). The question is on the motion offered by the gentleman from Texas [Mr. DE LA GARZA] that the House suspend the rules and pass the bill, S. 2780.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on S. 2780, the Senate bill just passed.

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

There was no objection.

ANNOUNCEMENT OF APPOINTMENT AS MEMBERS OF COMMISSION ON SECURITY AND COOPERATION IN EUROPE

The SPEAKER pro tempore. Without objection pursuant to the provisions of

section 3 of Public Law 93-304, as amended by section 1 of Public Law 99-7, the Chair announces the Speaker's appointment as members of the Commission on Security and Cooperation in Europe the following members of the House:

Mr. FASCELL of Florida, Chairman; Mr. JENKINS of Georgia; Mr. HERTEL of Michigan; Mr. FEIGHAN of Ohio; Mr. TANNER of Tennessee; Mr. FALEOMAVAGA of American Samoa; Mr. BROOMFIELD of Michigan; Mr. BEREUTER of Nebraska, and Mr. COLEMAN of Missouri.

There was no objection.

TEXT OF EXCHANGE OF DIPLOMATIC NOTES BETWEEN THE UNITED STATES AND INDONESIA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

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 Foreign Affairs and ordered to be printed:

To the Congress of the United States:

I am pleased to transmit to the Congress, pursuant to sections 123 b. and 123 d. of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2153 (b), (d)), the text of an exchange of diplomatic notes between the United States and Indonesia dated August 23, 1991, constituting an agreement to extend for 10 years the Agreement for Cooperation Between the United States of America and the Republic of Indonesia Concerning Peaceful Uses of Nuclear Energy signed at Washington, June 30, 1980. I am also pleased to transmit my written approval, authorization, and determination concerning the extension and a memorandum by the Director of the United States Arms Control and Disarmament Agency including a Nuclear Proliferation Assessment Statement. The joint memorandum submitted to me by the Secretary of State and the Secretary of Energy, which also includes other agency views, is also enclosed.

The proposed extension of the agreement for cooperation with the Republic of Indonesia has been negotiated in accordance with the Atomic Energy Act of 1954, as amended by the Nuclear Non-Proliferation Act of 1978 and as otherwise amended. In my judgment, the proposed extension meets all statutory requirements and will advance the non-proliferation and other foreign policy interests of the United States. It provides for the agreement to remain in force for an additional period of 10 years. In all other respects, the text of the agreement remains the same as that reviewed favorably by the Congress in 1980/1981.

Indonesia is a party to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and is fully in compliance with its nuclear non-proliferation commitments under that Treaty.

I have considered the views and recommendations of the interested agencies in reviewing the proposed extension and have determined that continued performance of the agreement for cooperation will promote, and will not constitute an unreasonable risk to, the common defense and security. Accordingly, I approved the agreement on extension and authorized its execution. I urge that the Congress give it favorable consideration.

This transmission shall constitute a submittal for purposes of both sections 123 b. and 123 d. of the Atomic Energy Act. The Administration is prepared to begin immediately consultations with the Senate Foreign Relations and House Foreign Affairs Committees as provided in section 123 b. Upon completion of the 30-day continuous session period provided for in section 123 b., the 60-day continuous session period provided for in section 123 d. shall commence.

GEORGE BUSH.

THE WHITE HOUSE, June 30, 1992.

VACATING SPECIAL ORDERS

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent to vacate the 60 minute special orders for the gentleman from Wisconsin [Mr. OBEY] on June 30, July 1, and July 2, 1992.

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

There was no objection.

ON BOSNIA-HERCEGOVINA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. LIPINSKI] is recognized for 5 minutes.

Mr. LIPINSKI. Mr. Speaker, the people of Bosnia-Herzegovina have endured 4 months of terrorism and 7,500 deaths at the hands of Serbian forces. During this time, they have pleaded for Western intervention. They wondered: Where are the Europeans? Where are the Americans?

Well, Mr. Speaker, they now have an answer to the first question. President Mitterrand of France arrived in Sarajevo on Sunday to demonstrate his solidarity with the citizens of Bosnia-Herzegovina. Considering the warfare in Sarajevo, I believe this was an unusual act of bravery on the part of President Mitterrand. I also salute him for taking this important symbolic step to show the world has not forgotten the Bosnians.

Yesterday a French plane carrying 6 tons of medicine and other supplies arrived in Sarajevo to provide some much-needed relief. This coincided with Serbian forces turning the airport

over to the United Nations. The United Nations Security Council also voted to send 1,000 Canadian troops from Croatia to secure the airport.

Where were the Americans while this was taking place? While Mitterrand was rallying the shell-shocked people of Sarajevo, President Bush was vainly trying to rally American voters for 4 more years. On Yugoslavia, the administration is still waiting in the wings hoping the turmoil is somehow resolved. The White House says its needs to wait and see how the United Nations structures its peacekeeping force. The State Department says it will support any United Nations effort to supply humanitarian assistance if the United Nations chooses to do so. Even then, it would only play a supportive role.

There is no leadership here. It amazes me that this is the same administration which put together a historic coalition to liberate Kuwait. Jim Hoagland wrote in the Washington Post that the administration appears to see Yugoslavia more as a public relations problem to be managed than a threat to international peace to be resolved. I have to agree. The administration's efforts to date have been motivated more by domestic and world opinion rather than by humanitarian concern.

The irony here is that the turmoil in Yugoslavia may be resolved despite the administration's head-in-the-sand policy. Serbian aggression appears to be faltering. The Yugoslav Army has withdrawn from Bosnia-Herzegovina. Serbian troops in Bosnia are in disarray and on the retreat. Even Serbian President Milosevic looks to be in danger. More than 100,000 Serbs in Belgrade demonstrated against him on Sunday, and another 30,000 demonstrated yesterday.

Yet as always during the year-old conflict in Yugoslavia, my hope is restrained by the realization that the ethnic conflicts are not easily resolved. We have seen dozens of cease-fires broken and the danger of another major outburst of fighting is always present. Just yesterday Serbian forces shelled parts of northeast Sarajevo.

Mr. Speaker, we can say that progress has been made. But we cannot say that the end is clearly in sight. I call on the President to exercise his power as the leader of the free world to put an end to the bloodshed in Bosnia-Herzegovina. The President should not wait for the United Nations to take action, the President should lead it into action. While he looks to Europe and most of Europe looks to him, the death toll in Bosnia-Herzegovina only increases.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. GEKAS (at the request of Mr. MICHEL), for today and the balance of

the week, on account of medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DE LA GARZA) to revise and extend their remarks and include extraneous material:)

Mr. OBEY, for 5 minutes each day, today and on July 1, 2, 7, 8, 9, and 10.

Mr. HUBBARD, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mrs. COLLINS of Illinois, for 5 minutes each day, on July 1, 2, 7, 8, 9, 10, 20, 21, 22, 23, 24, 27, 28, 29, 30, and 31.

(The following Members (at the request of Mr. COLEMAN of Missouri) to revise and extend their remarks and include extraneous material:)

Mr. CUNNINGHAM, for 60 minutes, today.

Mrs. BENTLEY, for 5 minutes, today.

Mr. GOSS, for 60 minutes, on July 1.

Mr. RHODES, for 5 minutes, on July 1.

Mr. GUNDERSON, for 5 minutes, on July 1.

Mr. WALKER, for 5 minutes, on July 1.

Mr. LEACH, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. COLEMAN of Missouri) and to include extraneous matter:)

Mr. THOMAS of California.

Mr. HOPKINS.

Mr. PORTER.

Mr. WOLF.

Mr. RIDGE.

Mr. SUNDQUIST.

Mr. MICHEL.

Mr. BLILEY.

Mr. YOUNG of Alaska.

Mr. ROGERS.

Mr. BOEHNER, in two instances.

(The following Members (at the request of Mr. DE LA GARZA) and to include extraneous matter:)

Mr. MANTON.

Mr. NEAL of Massachusetts in two instances.

Mr. DOWNEY.

Mr. MURTHA.

Mr. SIKORSKI.

Mr. BERMAN.

Mr. FASCELL.

Mr. CLEMENT.

Mr. VISCLOSKEY.

Mr. HOCHBRUECKNER.

Mr. SCHEUER.

Mr. RAY.

ENROLLED JOINT RESOLUTION SIGNED

Mr. ROSE, from the Committee on House Administration, reported that

that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 459. Joint resolution designating the week beginning July 26, 1992 as "Lyme Disease Awareness Week."

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2905. An act to provide a 4-month extension of the transition rule for separate capitalization of savings associations' subsidiaries.

ADJOURNMENT

Mr. DE LA GARZA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 36 minutes a.m.), the House adjourned until today, Wednesday, July 1, 1992, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3840. A letter from the Office of General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend title 10, United States Code, to clarify sections 3380 and 8380, relating to delays of promotions, as they apply to officers serving on full time National Guard duty; to the Committee on Armed Services.

3841. A letter from the Chairman, National Advisory Council on International Monetary and Financial Policies, transmitting the annual report of the National Advisory Council on International Monetary and Financial Policies for fiscal year 1990, pursuant to 22 U.S.C. 284b, 285b(b), 286b(b)(5), 286b-1, 286b-2(a), 290i-3; to the Committee on Banking, Finance and Urban Affairs.

3842. A letter from the Secretary of Education, transmitting final regulations—Education Department general administrative regulations, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

3843. A letter from the Secretary of Education, transmitting final regulations—Higher Education Programs in Modern Foreign Language Training and Area Studies—Group Projects Abroad Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

3844. A letter from the Secretary of Education, transmitting final regulations—Pell Grant Program—Expected family contributions for students with special conditions, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

3845. A letter from the Secretary of Labor, transmitting the annual report on the administration of the Black Lung Benefits Act for the period January 1 through December 31, 1991, pursuant to 30 U.S.C. 936(b); to the Committee on Education and Labor.

3846. A letter from the Director, Office of Management and Budget, transmitting OMB's estimate of the amount of discre-

tionary new budget authority and outlays for the current year (if any) and the budget year provided by H.R. 5132, pursuant to Public Law 101-508, section 1310(a) (104 Stat. 1388-578); to the Committee on Government Operations.

3847. A letter from the Bureau of Reclamation, Department of the Interior, transmitting a copy of a report entitled "Steinaker Dam Modification Report, Safety of Dams Program"; to the Committee on Interior and Insular Affairs.

3848. A letter from the Chief Justice, Supreme Court of the United States transmitting a copy of the report of the Proceedings of the Judicial Conference of the United States held on March 16, 1992, pursuant to 28 U.S.C. 331; to the Committee on the Judiciary.

3849. A letter from the National Tropical Botanical Garden, transmitting the annual audit report of the National Tropical Botanical Garden, calendar year 1992, pursuant to Public Law 88-449, section 10(b) (78 Stat. 489); to the Committee on the Judiciary.

3850. A letter from the Secretary of Energy, transmitting a draft of proposed legislation entitled "Alaska Power Administration Sale Authorization Act"; jointly, to the Committees on Interior and Insular Affairs, Public Works and Transportation, Energy and Commerce, Government Operations, Ways and Means, and the Judiciary.

REPORT 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. ROSTENKOWSKI: Committee on Ways and Means. H.R. 11. A bill to amend the Internal Revenue Code of 1986 to provide tax incentives for the establishment of tax enterprise zones, and for other purposes; with an amendment (Rept. 102-631). Referred to the Committee on the Whole House on the State of the Union.

Mr. ROSTENKOWSKI: Committee on Ways and Means. House Joint Resolution 502. Resolution disapproving the extension of non-discriminatory treatment (most-favored-nation treatment) to the products of the People's Republic of China (Rept. 102-632). Referred to the Committee on the Whole House on the State of the Union.

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 3562. A bill relating to the use of unobligated moneys in the Customs forfeiture fund; with an amendment (Rept. 102-633, Pt. 1). Ordered to be printed.

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 4318. A bill to make certain miscellaneous and technical amendments to the Harmonized Tariff Schedule of the United States, and for other purposes; with an amendment (Rept. 102-634). Referred to the Whole House on the State of the Union.

Mr. DINGELL: Committee on Energy and Commerce. House Concurrent Resolution 246. Resolution expressing the sense of Congress with respect to the relation of trade agreements to health, safety, labor, and environmental laws of the United States (Rept. 102-635, Pt. 1). Ordered to be printed.

Mr. DE LA GARZA: Committee on Agriculture. S. 2780. An act to amend the Food Security Act of 1985 to remove certain easement requirements under the conservation reserve program, and for other purposes (Rept. 102-636). Referred to the Committee on the Whole House on the State of the Union.

Mr. GORDON: Committee on Rules. H. Res. 506. Resolution waiving certain points of order against and during consideration of the bill (H.R. 5503) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1993, and for other purposes (Rept. 102-637). Referred to the House Calendar.

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. DORNAN of California.

H.R. 5511. A bill to amend the Animal Welfare Act to prohibit dog racing involving the use of live animals as visual lures, to prohibit the training with such lures of dogs for dog racing, and to make such act applicable to facilities that are used for dog racing or dog race training; to the Committee on Agriculture.

By Mr. RANGEL (for himself and Mr. COUGHLIN):

H.R. 5512. A bill to amend the Controlled Substances Act and the Controlled Substances Import and Export Act with respect to the drug fentanyl; jointly, to the Committee on Energy and Commerce and the Judiciary.

By Mr. CAMPBELL of California:

H.R. 5513. A bill to amend the Internal Revenue Code of 1986 and the Balanced Budget and Emergency Deficit Control Act of 1985 to eliminate the Federal budget deficit by the end of fiscal year 1998; jointly, to the Committees on Ways and Means and Government Operations.

By Mr. DINGELL (for himself, Mr. WAXMAN, Mr. SCHEUER, Mr. ECKART, Mr. MANTON, and Mr. TOWNS):

H.R. 5514. A bill to provide for health care for all Americans in an affordable manner; jointly, to the Committee on Energy and Commerce, Ways and Means, and Education and Labor.

By Mr. KOPETSKI:

H.R. 5515. A bill to amend the Internal Revenue Code of 1986 to allow a reasonable cause exception for the failure to make certain payments with respect to partnerships and S corporations not using a required taxable year; to the Committee on Ways and Means.

By Mr. YOUNG of Alaska:

H.R. 5516. A bill to authorize the Department of Energy to sell the Eklutna and Snettisham Projects administered by the Alaska Power Administration, and for other purposes; jointly, to the Committee on Interior and Insular Affairs, Public Works and Transportation, and Energy and Commerce.

By Mr. CLEMENT (for himself, Mr. COOPER, Mr. DUNCAN, Mr. GORDON, Mrs. LLOYD, Mr. QUILLEN, Mr. SUNDQUIST, Mr. TANNER, Mr. ALEXANDER, Mr. ANNUNZIO, Mr. APPELEGATE, Mr. BLILEY, Mr. BROWDER, Mr. DE LA GARZA, Mr. FROST, Mr. GEREN of Texas, Mr. GINGRICH, Mr. GONZALEZ, Mr. GUARINI, Mr. HORTON, Mr. HUGHES, Mr. JENKINS, Mr. KASICH, Mr. LIPINSKI, Mr. MCDERMOTT, Mr. McMILLEN of Maryland, Mr. MONTGOMERY, Mr. NEAL of Massachusetts, Mr. PARKER, Mr. ROBERTS, Mr. ROE, Mr. SHAW, Mr. SISISKY, Mr. SKELTON, Ms. SLAUGHTER, Mr. STUMP, Mr. TALLON, Mr. VANDER JAGT, Mr. VENTO, Mr. WOLF):

H.J. Res. 520. Joint resolution to designate the month of October 1992 as "Country Music

Month"; to the Committee on Post Office and Civil Service.

By Mr. PURSELL:

H. Con. Res. 340. Concurrent resolution recognizing the accomplishments of the National Eye Institute; to the Committee on Energy and Commerce.

By Mr. APPELEGATE:

H. Con. Res. 341. Concurrent resolution expressing the sense of the Congress in support of a "Jump Start America" proposal to restore economic growth and prosperity, to retain and restore American jobs, and to balance the Federal budget; jointly, to the Committees on Foreign Affairs, Ways and Means, Banking, Finance and Urban Affairs, Armed Services, Public Works and Transportation, Government Operations, Energy and Commerce, and Education and Labor.

By Mr. RAHALL:

H. Con. Res. 342. Concurrent resolution expressing the sense of the Congress that there should be free and democratic elections in the West Bank and Gaza; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 127: Mr. THOMAS of Wyoming.
H.R. 371: Mr. SARPALUIS and Mr. STENHOLM.
H.R. 643: Mr. PORTER.
H.R. 784: Mr. TAYLOR of North Carolina and Mr. McMILLEN of Maryland.

H.R. 1186: Mr. KYL, Mr. MYERS of Indiana, Mr. DUNCAN, Mr. BLACKWELL, Mr. BLILEY, and Mr. RHODES.

H.R. 1435: Mr. HUGHES.
H.R. 1554: Mr. PETERSON of Minnesota.
H.R. 1771: Mr. ASPIN, Mr. COX of Illinois, and Mr. DIXON.

H.R. 2071: Mr. KOSTMAYER.
H.R. 2782: Mr. BONIOR.
H.R. 2972: Mr. ABERCROMBIE and Mr. DEFAZIO.

H.R. 3026: Mr. ANDREWS of Maine and Mr. ANDREWS of New Jersey.
H.R. 3545: Mr. WYLIE.

H.R. 3598: Mr. TORRICELLI, Mr. HARRIS, and Mr. NICHOLS.
H.R. 3764: Mr. RITTER.

H.R. 3836: Mr. VENTO, Mr. ABERCROMBIE, and Mr. SMITH of Oregon.
H.R. 4045: Mr. MAZZOLI, Mr. JEFFERSON, and Mr. ENGEL.

H.R. 4124: Ms. NORTON.
H.R. 4401: Mr. GUNDERSON, Mr. BEREUTER, Mr. FAZIO, Mr. PASTOR, and Mrs. MORELLA.

H.R. 4406: Mr. ATKINS.
H.R. 4498: Mr. BONIOR.
H.R. 4748: Mr. NAGLE.

H.R. 4755: Mr. OXLEY, Mr. PETERSON of Florida, and Mr. MORRISON.
H.R. 4895: Mr. HANCOCK.

H.R. 4909: Mr. QUILLEN and Mr. McNULTY.
H.R. 4910: Mr. ZELIFF, Mr. WALSH, Mr. DOWNEY, and Mr. DANNEMEYER.

H.R. 5013: Mr. LEVIN of Michigan, Mr. RICHARDSON, Mr. HUGHES, and Mr. ENGEL.
H.R. 5064: Mr. GUARINI, Mr. MARTINEZ, Mr. COLORADO, Mr. LARROCCO, Mr. STALLINGS, and Mr. ATKINS.

H.R. 5155: Mr. ZELIFF.
H.R. 5211: Mr. GILLMOR, Mr. CRAMER, and Mr. NEAL of North Carolina.

H.R. 5216: Mr. BACCHUS.
H.R. 5229: Mr. HAMMERSCHMIDT, Mr. RIGGS, Mr. WALSH, Mr. SANTORUM, Mr. COX of California, Mr. GALLEGLEY, Mr. DANNEMEYER, and Mr. LAGOMARSINO.

H.R. 5240: Mr. SPRATT, Mr. LIGHTFOOT, Mr. VOLKMER, Mr. RHODES, Mr. HORTON, and Mr. COMBEST.

H.R. 5294: Mr. TRAFICANT, Mr. EVANS, and Mrs. COLLINS of Michigan.

H.R. 5320: Mr. TRAFICANT and Mr. EVANS.

H.R. 5396: Mr. MRAZEK, Mr. BERUTER, Mr. MOLLOHAN, Mr. MARLENEE, and Mr. VALENTINE.

H.R. 5421: Mr. CRANE.

H.R. 5424: Mr. MILLER of California, Mr. FROST, and Mr. HUGHES.

H.R. 5433: Mr. DUNCAN.

H.R. 5462: Mr. FOEHRNER, Mr. BARTON of Indiana, and Mr. HERGER.

H.R. 5484: Mr. GLICKMAN and Mrs. MEYERS of Kansas.

H.J. Res. 399: Mr. SMITH of New Jersey, Mr. MCCREERY, Mr. HAMMERSCHMIDT, Mr. ROTH, and Mr. DINGELL.

H.J. Res. 411: Mr. KENNEDY, Mr. SOLARZ, Mr. STUMP, Mr. WOLPE, and Mr. LANTOS.

H.J. Res. 455: Mr. LEVINE of California and Mr. CHANDLER.

H.J. Res. 474: Mr. UPTON, Mr. JACOBS, Mr. DOWNEY, Mr. BLILEY, Mrs. MEYERS of Kansas, and Mr. OWENS of Utah.

H.J. Res. 475: Mr. MARTINEZ.

H.J. Res. 484: Mr. McMILLEN of Maryland, Mr. HENRY, Mr. SANDERS, Mr. KOPETSKI, Mr. MACTHLEY, Mr. SAXTON, Mr. QUILLLEN, Mr. KASICH, Mr. WOLF, Mrs. MINK, Mr. ROSE, Mr.

GRANDY, Mr. HORTON, Mr. HAYES of Illinois, Mr. HOAGLAND, Mr. BLILEY, Mr. CRAMER, Mr. PURSELL, Mr. HAMILTON, Ms. DELAURO, Mr. OWENS of New York, Mr. FAZIO, Mr. SUNDQUIST, Mr. BROWDER, Mr. LaFALCE, Mr. GORDON, Mr. HUGHES, Mr. COX of Illinois, Mr. GUARINI, Ms. HORN, Mr. TANNER, Mrs. ROUKEMA, Mr. SERRANO, Mr. HALL of Texas, Mr. MCCLOSKEY, Mr. FROST, and Mr. PAXON.

H.J. Res. 486: Mr. FRANKS of Connecticut, Mr. HUTTO, Mr. HALL of Texas, Mr. JAMES, Mr. MARTINEZ, Mr. PAYNE of Virginia, Mr. LEHMAN of Florida, Mr. SARPALUIS, Mr. HUGHES, Mr. JONES of North Carolina, Mr. MRAZEK, Mrs. MORELLA, Mr. WASHINGTON, Mr. ROYBAL, Mr. HERGER, Mr. ORTIZ, Mr. FORD of Tennessee, Mr. ECKART, Mr. LANCASTER, Mr. ROWLAND, Mrs. BOXER, Mr. LANTOS, Mr. TAUZIN, and Ms. OAKAR.

H.J. Res. 488: Mr. DEFazio.
H.J. Res. 489: Mr. HUGHES, Mr. FRANK of Massachusetts, and Mr. CARPER.

H. Con. Res. 87: Ms. NORTON, Mr. TOWNS, Mr. SMITH of Florida, Mr. SKEEN, and Mr. HYDE.

H. Con. Res. 203: Mr. LENT, Mr. BENNETT, Mrs. LOWEY of New York, Mr. TOWNS, Mr. ROE, Mr. ZELIFF, and Mr. ATKINS.

H. Res. 490: Mr. KASICH, Mr. PORTER, Mr. SOLOMON, Mr. HANCOCK, Mr. WOLF, Mr. REGULA, Mr. HOBSON, Mr. HOYER, Mr. BUNNING, Mr. McMILLAN of North Carolina, Mr. BACCHUS, Mr. COYNE, Mr. NEAL of Massachusetts, Mr. OXLEY, Mr. HORTON, Mr. CAMPBELL of California, Mr. COUGHLIN, Mr. MCEWEN, Mrs. MORELLA, Mr. JOHNSON of Texas, Mr. MONTGOMERY, Mr. DUNCAN, Mr. WALSH, Mr. MYERS of Indiana, Mr. MILLER of Ohio, Mr. QUILLLEN, Mr. SUNDQUIST, Mr. THOMAS of California, Mr. LEWIS of Florida, Mr. GONZALEZ, Mr. NATCHER, Mr. BARNARD, Mr. HARRIS, Mr. STENHOLM, Mr. NUSSLE, Mr. HENRY, Mr. MOORHEAD, and Mr. EMERSON.

PETITIONS, ETC.

Under clause 1 of rule XXII,

164. The SPEAKER presented a petition of the council of the city of New York, City Hall, NY, relative to H.R. 1300, the Universal Health Care Act; jointly, to the Committees on Armed Services, Energy and Commerce, Post Office and Civil Service, Veterans' Affairs, and Ways and Means.

REPORT ON COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of the XIII, reports of committees were delivered to the Clerk for printing and reference to the proper committees as follows:

Mr. HARTINGKOWSKI Committee on Ways and Means H.R. 5321 to amend the Internal Revenue Code of 1986 to provide for the establishment of tax-exempt trusts for the care of the elderly and for other purposes, with an amendment (H.R. 5321) (H. Rept. 102-237) (Comm. on Ways and Means, 102-1st Sess.)

Mr. HARTINGKOWSKI Committee on Ways and Means H.R. 5322 to amend the Internal Revenue Code of 1986 to allow a taxpayer's spouse to elect to be treated as a dependent for purposes of the tax on gifts (H.R. 5322) (H. Rept. 102-237) (Comm. on Ways and Means, 102-1st Sess.)

Mr. HARTINGKOWSKI Committee on Ways and Means H.R. 5323 to amend the Internal Revenue Code of 1986 to provide for the treatment of certain trusts for purposes of the tax on gifts (H.R. 5323) (H. Rept. 102-237) (Comm. on Ways and Means, 102-1st Sess.)

Mr. HARTINGKOWSKI Committee on Ways and Means H.R. 5324 to amend the Internal Revenue Code of 1986 to provide for the treatment of certain trusts for purposes of the tax on gifts (H.R. 5324) (H. Rept. 102-237) (Comm. on Ways and Means, 102-1st Sess.)

Mr. HARTINGKOWSKI Committee on Ways and Means H.R. 5325 to amend the Internal Revenue Code of 1986 to provide for the treatment of certain trusts for purposes of the tax on gifts (H.R. 5325) (H. Rept. 102-237) (Comm. on Ways and Means, 102-1st Sess.)

Mr. HARTINGKOWSKI Committee on Ways and Means H.R. 5326 to amend the Internal Revenue Code of 1986 to provide for the treatment of certain trusts for purposes of the tax on gifts (H.R. 5326) (H. Rept. 102-237) (Comm. on Ways and Means, 102-1st Sess.)

Mr. HARTINGKOWSKI Committee on Ways and Means H.R. 5327 to amend the Internal Revenue Code of 1986 to provide for the treatment of certain trusts for purposes of the tax on gifts (H.R. 5327) (H. Rept. 102-237) (Comm. on Ways and Means, 102-1st Sess.)

... were referred to the appropriate committees as follows:
H.R. 5328: Mr. TRAFICANT, Mr. EVANS, and Mrs. COLLINS of Michigan.
H.R. 5329: Mr. TRAFICANT and Mr. EVANS.
H.R. 5330: Mr. TRAFICANT and Mr. EVANS.
H.R. 5331: Mr. TRAFICANT and Mr. EVANS.
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H.R. 5500: Mr. TRAFICANT and Mr. EVANS.

EXTENSIONS OF REMARKS

UNITED STATES CAN STILL SALVAGE ITS POSITION ON EARTH SUMMIT

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. FASCELL. Mr. Speaker, the big Rio de Janeiro environmental conference is over and all the world knows that the United States played the spoilsport.

We came away from Rio as the bully nation that would not join the global green parade. President Bush reluctantly went along with some of the Rio agreements, but he balked at signing the really big one. He said the cost to the United States for the major biodiversity pact was too open-ended and that this environmental agreement, as spelled out at Rio, would cost American jobs.

The President noted that the United States has a distinguished record of environmental achievements. We have led the world for at least the last two decades. But the day of America writing blank checks is over, the President said.

The President was right as far as he went. We have certainly done our part for the environment over the years. And the new dollar costs might very well wind up being too rich for our national wallet. But what the President did not strive for at Rio was compromise. What he did not seek was the middle ground of environmental agreement—a common green base on which nations of goodwill can manage the environmental future of our planet.

Admittedly, Americans can't go it alone. It is unreasonable for the developing nations to look to us for a huge financial handout that they think will solve all their environmental ills. If there is one thing we have learned by hard experience it is that environmental sumpholes can't be soaked up by dumping money in them.

But what about international cooperative action? Why didn't the White House offer to sit down and talk. The stances taken by the administration at Rio were disappointing, not so much for the fact that we refused our full support, but more so in that we didn't sit down to work out our differences with our neighbor nations.

William Reilly, the chief U.S. negotiator at Rio, was obviously willing to talk things through, but the White House effectively tied his hands.

It is truly unfortunate that administration rhetoric and actions undercut U.S. stature, tarnished our image, and alienated many people of goodwill at the Rio conference. But even now it is not too late to reassess our position—and I hope the President will lead the way.

His followup could be more important than the conference itself.

Take, for instance, the major cause of the world's environmental disappointment with us in Rio:

This was the much-discussed, much-worked-over biodiversity agreement. It was signed by more than 150 countries—almost everyone but us. In its basic elements the pact is aimed at preserving the world's plants and animals and the natural systems, such as water, air, and soils, that support these lifeforms.

How could Americans be against the biodiversity pact? Well, we are only against part of it—the part that says: the developed world will fund the agreement and the developing world will have the biggest say in how the money is spent.

Another part says we'll turn over our environmental technology, our hard-won expertise—our patents and our licenses—free of charge to the developing nations. We balked strongly at that also.

Not hard to understand. It sounds as if the poor nations call the shots and we pay the bills—and donate our brainpower. But, what is left out of this equation is the fact that the White House announced we would not sign the pact even before the Rio meeting began. By refusing to discuss it we missed a golden opportunity to seek changes in it. The Brazilians quietly offered to help us out of our policy dilemma by acting as our go-between in working out changes. In effect, we spurned their offer and engendered Brazil's hostility.

So what's to be done at this late stage? Rio is over, isn't it?

Yes, but the President could still salvage some of the situation by working out his own clarification of provisions he didn't agree with, attaching it—and then signing the biodiversity pact. It's not too late for that.

The United States also quibbled over other agreements that merited lesser publicity—if not substance—at Rio. For instance, we used our superpower muscle to weaken a pact on reducing greenhouse gas emissions.

In summation, we acted at Rio like a petulant giant, kicking several slats out of the global environmental boat. We did not sink it, but we've weakened the forward momentum and we've seriously endangered our position as the world's environmental leader. Now we've got to play catch-up ball.

The long-term success of Rio will be measured not by the conference agreements reached, but by the global partnership that is shaped among the developed and developing nations. We've still got a chance to be a full-fledged and welcomed member of that partnership. Our shared commitment to actions and sustainable stewardship of the Earth's resources could be the enduring legacy of Rio.

MARYLAND LEADERS WARN ABOUT FATAL DRUG

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. RANGEL. Mr. Speaker, today Congressman LAWRENCE COUGHLIN and I are introducing legislation, at the request of the Drug Enforcement Administration, which would bring the penalties under the Controlled Substances Act, and the Controlled Substances Import and Export Act, for fentanyl and its analogues into line with those for heroin. Fentanyl and its analogues are synthetic narcotics which are closely related pharmacologically to heroin. They differ from heroin mainly in their potency, onset of action, and duration of action.

This legislation is necessary because clandestinely produced fentanyl, called China white on the street, has begun to reappear in fairly large quantities. According to an article in the Washington Post on March 31, 1992, "A powerful synthetic narcotic known as China White has killed at least 23 intravenous drug users in Maryland since late January, according to top (Maryland) health and law enforcement officials. Investigations said the drug, 100 times as potent as heroin is being shipped to Baltimore from New York." It does not take much fentanyl to kill someone, a lethal dose of the drug is about the size of three grains of salt.

Fentanyl citrate is commonly used as an anesthetic and analgesic in hospitals. In high doses, however, it quickly and totally suppresses the part of the brain that controls respiration. It is prudent to take action now which will inhibit people from marketing fentanyl as heroin, because no one knows when or where another rash of fentanyl-induced deaths may occur.

The way the law is currently written, 2½ times more heroin than fentanyl is required for the penalties of 21 U.S.C. section 841 to apply, even though fentanyl is approximately 50 times more potent as an analgesic than heroin. The number of dosage units of heroin necessary to invoke the most severe penalties is one-tenth the number of dosage units in fentanyl. Thus the threshold quantities for invoking the most severe penalties involving fentanyl and its analogues are high considering the relative potency of fentanyl and its analogues to that of heroin.

Specifically, Mr. Speaker, the legislation does four things. First, it decreases the threshold for fentanyl and its analogues by a factor of ten for the enhanced penalties under 21 U.S.C. 841 (b)(1)(A) to apply. Second, it decreases the threshold for fentanyl and its analogues by a factor of 10 for the enhanced penalties under 21 U.S.C. 841(b)(1)(B) to apply. Third, it inserts next to the technical name of the drug, the name fentanyl in 21 U.S.C.

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

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

841(b)(1)(A)(vi) and 21 U.S.C. 841(b)(a)(B)(vi) to clarify that the penalties apply to fentanyl and its analogues. Fourth, this legislation makes the thresholds for enhanced penalties for fentanyl and fentanyl and its analogues the same: 40 grams in 21 U.S.C. 841(b)(1)(A)(vi) and 4 grams in 21 U.S.C. 841(b)(1)(B)(vi).

Mr. Speaker, these modifications provide a rational basis for lowering the thresholds at which the enhanced penalties could be used. They also bring the thresholds in line with those of heroin. While it is late in the session, we are hopeful that this legislation can be enacted into law prior to the Congress adjourning for the year.

Mr. Speaker, I am inserting into the CONGRESSIONAL RECORD for the information of Members and the public an article from the Washington Post about the dangers of the synthetic drug fentanyl. While cocaine, crack and heroin receive more publicity, fentanyl is also a deadly drug.

The text of the article follows:

[From the Washington Post, Mar. 31, 1992]

MARYLAND LEADERS WARN ABOUT FATAL DRUG

(By Richard Tapscott)

ANNAPOLIS, March 30.—A powerful synthetic narcotic known on the street as China White has killed at least 23 intravenous drug users in Maryland since late January, according to top health and law enforcement officials.

Investigators said the drug, 100 times as potent as heroin, is being shipped to Baltimore from New York. Seventeen of the overdose deaths between Jan. 25 and March 13 were in Baltimore. Montgomery and Prince George's counties each had one death.

Nelson J. Sabatini, secretary of the Department of Health and Mental Hygiene, said the drug, fentanyl citrate, is commonly used as an anesthetic in hospitals. In high doses, however, it quickly and fatally suppresses the part of the brain that controls respiration, Sabatini said.

"Anyone who uses this drug can die almost immediately," Gov. William Donald Schaefer said in issuing a statewide alert to hospital emergency rooms and drug treatment centers.

The first death was reported Jan. 25 in the Glen Echo area of Montgomery. The Prince George's death was March 12, health department officials said. Authorities declined to identify the two persons who died, saying an investigation is continuing.

Three overdose deaths from the drug were reported in Baltimore County. One was reported in neighboring Carroll County.

State police Lt. Col. Thomas Carr said China White popped up first in the mid-1980s in California, later in Pennsylvania and in 1991 in New York, where a dozen overdose deaths were reported. The only place the drug is known to be in use now is Maryland, Carr said.

He said the drug, which is difficult to detect in drug tests, could be used by addicts on parole or probation. However, Carr said it is likely that most users do not know the potency of the drug they are buying.

About 550 glassine bags of it were confiscated by Baltimore police last week. The drug takes its nickname from the slang term for pure Southeast Asian heroin, Carr said.

"All I can tell people is to stay away from heroin," Carr said during a news conference with the governor.

Sabatini said a lethal dose of the coarse-textured drug in dry form is about the size of three grains of salt.

"It's so lethal, people usually die before they get to the hospital," Sabatini said.

Schaefer, flanked by Sabatini and Carr at the news conference, said he hopes to take a more active role in the fight against drugs this summer.

"China White is a deadly drug," the governor warned. "You can kill yourself. I don't know how to put it any more dramatically."

A JOINT LETTER TO CHAIRMAN NATCHER

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. BERMAN. Mr. Speaker, I am placing in the RECORD today a joint letter to Chairman NATCHER of the Appropriations Subcommittee on Labor, Health and Human Services and Education. In the letter, which was circulated by Mr. SCHUMER of New York and myself and signed by 116 of our colleagues, we ask Chairman NATCHER for an appropriation of \$521 million, the minimum amount needed to adequately maintain refugee and entrant assistance programs.

Since the passage of the Refugee Act of 1980, the Federal Government, State and local governments, and private voluntary organizations have cooperated to provide healthcare services, English education, job training, and other services and benefits to refugees who for special humanitarian, foreign policy, and family reunification reasons have been granted the right to reside here. States, localities and private agencies have committed millions of dollars to this partnership, yet Federal funding has steadily eroded. The President's proposal to cut Federal funding for these programs by almost one-half could destroy the program altogether.

Mr. Speaker, worldwide events continue to reinforce the vital humanitarian role of our refugee programs and ensure that refugee issues remain a priority foreign policy concern. We urge the Appropriations Committee to adequately fund these important programs.

HOUSE OF REPRESENTATIVES,

Washington, DC, June 26, 1992.

Hon. WILLIAM NATCHER,

Chairman, House Appropriations Subcommittee on Labor, Health and Human Services and Education, Washington, DC.

DEAR MR. CHAIRMAN: As you prepare to mark-up the FY1993 Labor/HHS Appropriations bill, we are writing to express our strong support for funding the Refugee and Entrant Assistance Programs at the \$521 million level for Fiscal Year 1993—the amount contained in Chairman Mazzoli's Refugee Authorization bill.

The President's Budget calls for barely half the funding for this essential program—from the FY92 level of \$410.6 million to a mere \$227 million. The proposed reductions would particularly impact the Refugee Cash and Medical Program [RCMA] which has been the heart of the Department of Health and Human Services refugee assistance efforts. As you know, the Refugee Act of 1980 established a cooperative partnership between the states, the private sector and the

Federal Government. The states and the private agencies are deeply committed to this partnership, obligating millions of dollars to aid resettlement. However, this effort has been seriously hampered because of declining federal support for domestic refugee resettlement. Funding for FY92 allowed for a maximum of eight months of reimbursement to states for only certain refugees, down from the 36 months envisaged in the Refugee Act and provided in the early 1980's. It is not an exaggeration to say that a further cut in refugee funding in FY93 could destroy the program altogether.

While there has been debate among the states, local and county governments and various private voluntary agencies as to possible changes in the program, all are agreed that any changes in the administration of refugee resettlement cannot succeed without adequate funding. At the President's requested level, no agency or group will be able to provide even the minimum level of services required to forestall dependency for thousands of refugees.

Sadly, worldwide events continue to reinforce the vital humanitarian role of our refugee programs and ensure that refugee issues remain a priority foreign policy concern. In recognition of this, the House Foreign Affairs Committee and House Foreign Operations Subcommittee, while freezing or cutting other function 150 accounts, significantly boosted Migration and Refugee Assistance. The world refugee population has grown from 15 to over 17 million in just the past two years and our increased assistance is a commitment to caring for and eventually repatriating the vast majority of that number. The United States admits and resettles just a tiny fraction of the world's refugees who, because of special humanitarian, foreign policy or family reunification concerns, are extended the right to reside in this country. Our assistance helps these oppressed and endangered refugees from around the world become successful and productive citizens.

We expect and anticipate that Congress will pass a refugee reauthorization bill, supported by all those committed to successful refugee resettlement, before your appropriations conference is completed. Meanwhile, we reemphasize our belief in and commitment to the refugee program and ask that you fund domestic refugee resettlement at \$521 million.

Sincerely,

Major R. Owens, William Lehman, Dante Fascell, Larry Smith, Lawrence J. Bilirakis, Sam Gibbons, Patricia Schroeder, Benjamin A. Gilman, Harry Johnston, Hamilton Fish, Jr., Bill McCollum, Constance A. Morella, Bill Lowery, James L. Oberstar, Martin Olav Sabo, Bruce F. Vento.

Chester A. Atkins, Wayne Owens, Benjamin L. Cardin, Gerry Sikorski, Robert J. Lagomarsino, Stephen J. Solarz, Collin C. Peterson, John Bryant, Gary A. Condit, Robert Dornan, Gary L. Ackerman, George J. Hochbrueckner, Michael R. McNulty, Sherwood L. Boehlert, Sander M. Levin, Norman F. Lent.

Ed Pastor, Edolphus Towns, Charles B. Rangel, Ronald K. Machtley, Thomas J. Manton, Bill Paxon, Michael J. Kopetski, Henry J. Nowak, John J. LaFalce, Les AuCoin, Glenn M. Anderson, Mel Levine, Matthew G. Martinez, Julian Dixon, George E. Brown, Jr.

Robert Matsui, Norman Y. Mineta, Don Edwards, George Miller, Vic Fazio, Ron

Dellums, Mervyn Dymally, Esteban Torres, Rick Lehman, Calvin Dooley, Tony Beilenson, Nancy Pelosi, Pete Stark, Henry Waxman, Tom Lantos, Maxine Waters, Barbara Boxer, Leon Panetta.

Eleanor Holmes Norton, Tim Johnson, Tom McMillen, Sid Morrison, William J. Jefferson, Porter J. Goss, John T. Doolittle, Thomas J. Downey, Eliot L. Engel, Floyd H. Flake, Raymond J. McGrath, Nita M. Lowey, Edward F. Feighan, Frank D. Riggs, James H. Scheuer, Louise M. Slaughter, Ted Weiss, John Edward Porter.

Lane Evans, Carlos J. Moorhead, Jim Bacchus, Jim Slattery, Patsy T. Mink, Henry J. Hyde, Ileana Ros-Lehtinen, Elton Gallegly, Romano L. Mazzoli, William J. Coyne, Bill Clay, Donald M. Payne, William O. Lipinski, Jolene Unsoeld, Kweisi Mfume, Ike Skelton, Alan Wheat, Thomas M. Foglietta.

John W. Cox, Jr., Barbara B. Kennelly, Thomas J. Ridge, James P. Moran, Joseph P. Kennedy II, Jerry F. Costello, Al Swift, Ron Wyden, Frank Annunzio, Dan Glickman, Jose E. Serrano, Jerry Lewis, John Lewis.

Members of Congress.

LEONARD MILLER'S 87TH BIRTHDAY

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. MICHEL. Mr. Speaker, on Friday, June 26, 1992, Leonard Miller, known to his friends as "Pooch", celebrated his 87th birthday.

Born in Charlotte, NC, on June 26, 1905, he has lived in the District of Columbia since 1919 and has been married to Hilda Jean Miller for 35 years.

I make mention of "Pooch" because he has served us well in the Members' dining room for the past 24 years. He is one of those dedicated employees, loyal to the standards of the House of Representatives, who help make it possible for the Congress to function.

I am certain we all join in wishing him many happy returns.

IN SUPPORT OF THE WETLANDS RESERVE PROGRAM

HON. THOMAS J. RIDGE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. RIDGE. Mr. Speaker, I rise today to express my strong support for the Wetlands Reserve Program, a program which is vital to our efforts to preserve this Nation's wetlands. I understand that the House Appropriations Committee was unable to fund this program even at a level equal to last year's level of \$46 million. Unfortunately as well, efforts made earlier today to offer an amendment to fund this program were thwarted. This is of great concern to me, and I trust that House and Senate conferees will restore funding for this critically important program later this year.

At a time when the wetlands issue has become one of the most hotly debated environmental issues before the courts and the U.S. Congress, I am strongly opposed to stepping back from a program which will protect water quality and wetlands through a voluntary, incentive-based approach. I can think of no better way for this Nation to protect one of its greatest natural resources.

I am all too familiar with the many budget constraints that the Appropriations Committee and this Congress face as we attempt to slash our Federal deficit. Yet, I am also cognizant that cutting the corners on a valuable program such as this may cost us a great deal more down the road, not only in monetary terms but also in terms of the cost to our environment.

This program was authorized, with my strong support, as part of the 1990 farm bill. Although I had favored, and in fact, authored legislation to protect 2.5 million acres of wetlands, the eventual compromise was designed to enroll 1 million acres into reserve. The farming community's serious commitment to wetlands preservation and protection was clearly illustrated by enactment of this provision.

Now is no time to turn our backs on that commitment. Until Congress exercises the will to enact comprehensive wetlands legislation, conservation and regulatory reform will continue to dominate environmental debates. To that end, this reserve program—a program which will apply new resources to protect our wetlands—is critical.

But as importantly, I must add that Congress can no longer ignore the demands from landowners across the country whose constitutional rights have been trampled by overzealous regulators. It is time to bring some common sense and balance to bear upon a comprehensive wetlands program, an approach that is clearly lacking today. The legislative solution embodied in H.R. 1330, introduced by my distinguished colleague from Louisiana, JIMMY HAYES, and myself now enjoys the bipartisan support of 176 Members.

I trust that we will have the opportunity to consider this legislation before the end of the 102d Congress.

For today, however, I want to reiterate my strong support for the Wetlands Reserve Program. An appropriate level of funding for this program is an investment in wetlands efforts that we cannot afford to abandon. I urge the Congress to keep the faith with the 1990 farm bill by securing at least last year's level of funding for this program.

HONORING COTTLE COUNTY'S CENTENNIAL CELEBRATION

HON. BILL SARPALIUS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. SARPALIUS. Mr. Speaker, I would like to recognize the citizens of Cottle County, TX, who will be celebrating the county's centennial this year.

Cottle County is situated on the wide open country of west Texas. Surrounded by mesquite and prairie grass, Cottle has seen its

share of drought and hard times. Paducah, the county seat of Cottle County, is a friendly community of 1,788 people. Paducah does not rely on any plant or corporation to keep the community running; instead the backbone of this country is farming. The flat plains of west Texas are what these Americans rely on. The innovative frontier spirit lives on, as most of the revenue made in Cottle is from the production of cotton, cattle, and hay.

Cottle County came into existence on January 11, 1892, after a petition was presented to W.M. Finger and others asking for the election to be held for the organization of a new county in the southern part of what was then Childress County. Even in those humble beginnings Cottle County was a strong believer in the democratic process, holding elections in private homes, since there were no public buildings in the county.

Even the namesake of the county has ties to democracy and freedom. Cottle is named for George Washington Cottle. This great American was born in Tennessee about 1798. He later moved from Missouri to Texas in September 1832. Cottle, along with volunteers from Gonzales, on March 1, 1836, entered the Alamo in defense of freedom. He paid the ultimate sacrifice, his life, 5 days later on March 6, 1836. Cottle County proudly bears the name of this patriot.

In retrospect, Cottle County is truly the crossroads of America. It symbolizes every small town in America with its friendly people and family atmosphere. Somehow, once you visit Paducah and Cottle County you do not remember it for its metropolitan buildings and skyscrapers, for it has none, but you do remember it for its roots in freedom, agriculture, and people.

Mr. Speaker, I urge my colleagues to join me in saluting Cottle County on its centennial celebration.

BILLY RAY CYRUS, THE NEXT ELVIS?

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. CLEMENT. Mr. Speaker, as the representative of Nashville, also known as Music City, U.S.A., I am often asked about new country music artists. Of late, the questions have been about Billy Ray Cyrus. "Who is he and where did he come from?" people ask. Well, I am pleased to provide some information about this phenomenon which I hope will begin to answer some of these questions.

Billy Ray Cyrus is among the rising stars of country music. His musical style has helped make country music among America's favorite. And, like many artists, he has struggled for many years before striking it big only two months ago. Now he is heard on radio stations everywhere with his country/pop hit "Achy Breaky Heart."

Billy Ray's enthusiasm and charisma have made him a favorite of fans. I know my colleagues and friends here in Washington will be interested in learning a little bit more about this talented artist and I commend the following Associated Press article to them.

NASHVILLE SOUND: BILLY RAY CYRUS: THE NEXT ELVIS?

(By Joe Edwards)

NASHVILLE, TENN.—He's being called a phenomenon. A sensation. Even the next Elvis. Two months ago, no one had heard of Billy Ray Cyrus. Since then, his album "Some Gave All" has topped the pop and country music charts, overtaking such stalwarts as Garth Brooks' "Ropin' the Wind" and Def Leppard's "Adrenalize."

And his rollicking single "Achy Breaky Heart" has been both a pop and country hit. It's even inspired a new dance the Achy Breaky, a line dance that Cyrus describes as "kind of a hip bang."

His album, selling more than 100,000 copies every week, is a blend of country, blues, and rock 'n' roll. He wrote six of the songs, including the cut "Some Gave All," a poignant ballad that salutes Vietnam veterans.

But it's the bouncy "Achy Breaky Heart," and the dance and Cyrus' magnetism, that has stirred such extraordinary passion for a new performer.

Cyrus, 30, looks a little like singer George Michael, actor Mel Gibson and yes, even a young Elvis. He dresses in jeans with an American flag on the right rear pocket. He combs his long brown hair straight back into a drooping ponytail, which he unties dramatically when he performs "Achy Breaky Heart."

He plays guitar left-handed, with his legs spread far apart striking a confident pose. Sweat pours off his handsome face and soaks his muscular frame.

He dashes across the stage at times, and at others does an aerobics-style dance in one spot.

Excited women, upholding a tradition dating back at least to Elvis, throw underwear at the stage.

Nightclub bands across the country report overflow requests to play "Achy Breaky Heart." At the Bullpen Lounge in Nashville, patrons were yelling for it one recent Saturday night even as the house band tuned up.

Although the song has an amusing title and upscale rhythm, it tells a sad story: a couple are breaking up, and Cyrus asks that his heart be spared the pain because his heart "might blow up and kill this man."

"The first time I heard the song, it hit me," he said in an interview. "It gets under your skin. You want to sing it in the shower and when you're driving your car."

Achy Breaky dance contests have been held in dance clubs across the country. Cable's Country Music Television has sponsored a contest inviting fans to videotape themselves at home doing the dance. The winner gets to meet Cyrus.

"Everywhere I go, people are doing it," Cyrus said.

Additionally, cable TV's The Nashville Network rushed onto the air in early June a 30-minute show featuring Cyrus concert footage taped in Fort Lauderdale, Fla.

Shortly before that, The Tennessean newspaper in Nashville asked in a big blue headline over a profile story about Cyrus: "Is This Man The Next Elvis?"

The comparisons come easy and Cyrus' soaring record sales indicate he is no mere placebo. Both are charismatic, courteous Southerners with rather deep voices, commanding stage presence and the ability to sing both rock 'n' roll and country-flavored material.

"If people have to compare me to somebody, I couldn't pick anyone I'd be more flattered by," Cyrus said. "But I keep in my mind constantly that when it comes down to

it, I'm Billy Ray Cyrus from Flatwoods, Ky. I sing my own way, write from my heart and my hand and I work up the songs our own way."

His musical flair comes naturally: his father, Kentucky state Rep. Ron Cyrus, D-Flatwoods, sang in a gospel music group and his mother played in a bluegrass band.

Cyrus has described himself as a quiet, bashful youngster who wanted to grow up to be a baseball player like former Cincinnati Reds' catcher Johnny Bench.

He bought a guitar at age 20, then played in local bands named Sly Dog and the Breeze. He spent 1984 to 1986 in Los Angeles, looking for a recording contract and supporting himself by selling cars.

"I was desperate," he recalled. "This was real hard work, especially for a guy who can't change the oil in his own car. Guys would pop up the hood and ask a question, and I'd go get the owner's manual and look it up."

He next lived in Huntington, W.Va., but traveled regularly to Nashville in search of the elusive record deal. He finally signed with Mercury-Polygram, and made his Nashville concert debut May 12, helping raise \$22,000 for literacy projects.

"When I bend over to tie my shoes and feel the pain in my lower back, I think of those times in my car making 49 trips a year to Nashville six hours each way. My achy breaky back is about gone."

EXCELLENCE AND AWARENESS

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. HOCHBRUECKNER. Mr. Speaker, today I rise to honor the outstanding achievements of John Harrison from Laurel, Long Island, in the First Congressional District of New York. John, a third grader enrolled in the Laurel School, was one of only 30 students selected by the National Audubon Society to have his artwork displayed at a special reception held for Members of Congress on June 18, 1992.

On June 18, 1992, it was my honor to attend this reception and view the wonderful works by John and many other talented young students. John's poster of the Piping Plover, a bird indigenous to Long Island whose nesting areas are threatened, is part of a larger effort to emphasize to Congress that our young people are concerned over the future of endangered species.

John will also receive a special National Audubon Society Certificate of Achievement for his excellent contribution. I commend the Audubon Society for selecting this young man to be recognized with this honor for both his artistic talents and citizenship. John is following in the proud tradition of the society's namesake, John James Audubon, who was a world renowned painter of wildlife.

I would like to extend my congratulations to all the recipients of this prestigious award, especially John and his family. I would also like to send my best wishes to John in what I am sure will be a promising future in whatever endeavors he pursues.

REV. JOHNNY LATIMER SALUTED

HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. SUNDQUIST. Mr. Speaker, this Sunday, July 5, it will be my privilege to worship with the congregation of Central North Church and its pastor, Rev. Johnny Latimer, on the occasion of the church's 10th anniversary.

Central North Church began in a storefront on July 4, 1982 with 35 members; today, its congregation numbers almost 1,200 and it is recognized as one of North America's fastest growing churches, according to the newsletter, "Church Growth Today". And while he would never say so himself, much of the credit for this growth belongs to Reverend Latimer.

Under his leadership, Central North Church has been a powerful force for good in Bartlett and nearby communities. The congregation has programs dealing with step-parenting techniques, teen substance abuse, teen suicide prevention, obedience to civil authorities, strengthening marital and family relationships, AIDS prevention, and teen pregnancy prevention based on clear, sensible and practical Biblical principles. Central North Church reaches out to those in need, distributing food baskets to the needy at Thanksgiving and Christmas and offering financial assistance to families left unemployed in the recent recession.

Reverend Latimer is a humanitarian. He cares deeply about his friends and neighbors, about those who worship at his church and those who live in his community. He has served in the ministry for 23 years, and he has been active in the life of our community for almost as long.

Above all, he is an example of principled Christian stewardship in a day and age when that sort of leadership is sorely needed. He is a man I am proud to call a friend.

I ask, Mr. Speaker, that my colleagues join me in saluting the Reverend Johnny Latimer and Central North Church on their 10th anniversary, and that the brief history of the church which I submit for the record be reprinted in its entirety in the CONGRESSIONAL RECORD.

CENTRAL NORTH CHURCH'S HISTORY

July 4, 1982: Central North Church is officially "born" with 35 charter members, meeting in a storefront in Raleigh Oaks Plaza shopping center (Austin Peay & Yale Road).

January, 1983: Central North Church's average Sunday morning attendance grows to approximately 100, forcing the Church to find a larger facility at 4299 Stage Road, formerly a "Big Star" grocery store.

January, 1984: Average Sunday morning attendance is approximately 150.

July, 1984: Central North Church's average Sunday morning attendance grows to approximately 300, forcing the Church to move into a new multi-purpose facility at 5955 Yale Road at Bartlett Blvd.; the 15,700 square foot building along with the 8.5 acre tract of land costs approximately \$500,000; "Official" Church membership is approximately 150. Two months later, Central North Church purchases an additional 10 acres of land surrounding its original 8.5 acre tract, bringing the total land owned to 18.5 acres.

November, 1985: Central North Church's average Sunday morning attendance grows to approximately 600, its membership grows to approximately 570, and its Sunday School average attendance grows to approximately 350, forcing the Church to add a new West Educational Wing. This 6,000 square foot addition containing five classrooms and a Chapel costs approximately \$200,000.

December, 1986: Central North Church's average Sunday morning attendance grows to approximately 720, its membership grows to approximately 825, and its Sunday School average attendance begins to approach 400.

September, 1988: Central North Church's begins to conduct its Sunday worship services in a new 800+ seat auditorium, approximately 13,200 square feet, along with an East Educational Wing, approximately 6,000 square feet; total cost of these new facilities and equipment is approximately \$1,200,000.

December, 1989: Central North Church's average Sunday morning attendance is approximately 1,066; its membership is 1,186; and its Sunday School average attendance is approximately 573.

December, 1990: Central North Church's average Sunday morning attendance is approximately 1,227; its membership is approximately 1,440; and its Sunday School average attendance is approximately 607.

January, 1991: Central North Church enters the first four months of 1991 (the peak attendance months) with no additional parking spaces available for growth. The "Strengthen To Serve" financial campaign begins its third month with one of its goals being the addition of at least 100 parking spaces.

December, 1991: Central North Church's average Sunday morning attendance is approximately 1,193; its membership is 1,578 (a 9.6% increase above 1990); and its Sunday School average attendance is approximately 595. The "Strengthen To Serve" campaign raises enough funds to add (in August, 1991) 112 parking spaces.

DANISH TALL SHIP JOINS IN JULY 4TH FESTIVITIES

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. PALLONE. Mr. Speaker, on Friday, July 3, 1992, the officers and crew of the Danish tall ship the *Danmark* will be guests of the Keyport, NJ, Yacht Club. *Danmark* will be among the tall ships from around the world taking part in Operation Sail in New York Harbor on July 4th.

When *Danmark* sails into Sandy Hook Bay for the Fourth of July festivities, she will be returning to very familiar waters. The 253-foot-long full-rigged ship, built in 1932 as a merchant marine officer training ship, first came to the United States in 1939 for the New York World's Fair. During the Second World War, the ship was anchored at Jacksonville, FL. The Danish Government offered the ship to the United States Coast Guard for use as a training vessel during the war years and more than 5,000 American cadets were trained on her decks. The ship is now used for training some 80 Danish cadets each year, young men between the ages of 16 and 20 who want to qualify as officers in the Danish merchant Navy. Although the ship, which underwent ex-

tensive renovations in 1959, is equipped with a modern diesel engine, the cadets handle the ship under sail as much as possible. Her cadets are still instructed in discipline and self-reliance in the time-honored manner in which sailors have been trained for centuries.

The Keyport Yacht Club was organized in December 1907 when Henry Coons, an Englishman, and Karl Marhlason, a Dane, decided to form a club for the many sailors in the area. The club has shown the type of tenacity and ability to rebound from adversity that are the hallmark of sailing men. With an initial membership of 70, the club built its first dock in 1909. Over the years, hurricanes and coastal storms required the club to renovate the dock several times. Finally, Hurricane Donna, which struck in September 1960, destroyed the original dock. By May of the following year, the Club completed the rebuilt dock that remains today. The Club's original building was destroyed by fire in 1981, but rebuilt by the following year.

The Club is hosting its Danish guests—including Trade Minister Ms. Anne Birgitt Lundholdt—in royal style with a festive ceremony and lavish banquet. I would like to salute Mr. Robert Letwenski, Commodore, and all of the members of the yacht club for their fine work in providing a wonderful welcome to our distinguished visitors from one of America's best friends and most steadfast allies.

KIDS ARE MUSIC TO PERFORM IN WASHINGTON

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. THOMAS of California. Mr. Speaker, it has come to my attention that the children's group "Kids are Music" will be performing live in Washington on Thursday, June 2 at the Sylvan Theater and Saturday, July 4 at 2:30 p.m., at the Jefferson Memorial.

Kids are Music is an upbeat children's performing group from California which portrays the image of the All-American kids as it performs favorite songs of yesterday and today. Since its founding in 1974, Kids are Music has performed over 500 shows at no cost to its audiences. Performance locations vary from schools, malls, convalescent homes, and centers for active seniors, to famous historical sights and parades. Special shows include those at Disneyland, the Statue of Liberty and Ellis Island, Knott's Berry Farm, Hershey Park, Philadelphia's Independence Hall, Anaheim Stadium, and those appearances in the Washington, DC Independence Day Parade. Kids are Music awards include the Disneyland Community Service Award, the National Freedom Foundation Award, and the Spirit of America Award.

Kids are Music is devoted to forming positive self-esteem in young girls and boys. Performers, who range in ages from 4 to 14, are invited to attend without auditioning, because of the group's belief that all children should be allowed to enjoy performing music and to develop their talents. These children are taught not only a love for music but also a love for

America and that they are a special generation, the leaders of tomorrow.

TRIBUTE TO ROBERT W. KIMBALL

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. SIKORSKI. Mr. Speaker, this year, Robert W. Kimball of Anoka, MN, finished 35 years as a teacher in Minnesota schools and as a force in the community. Twenty-nine of those years were spent teaching American history and criminal justice at Coon Rapids Senior High School where he was a member of the first faculty when the school opened in 1963.

Mr. Kimball opened up vistas of learning for thousands of young students by creatively making history come alive and the processes of our criminal justice system become real. His constant desire to find new and better ways of teaching and motivating students led him to a 7-year stint as chairman of the social studies department of the Anoka-Hennepin School District, where he worked with hundreds of teachers to put into place the curriculum taught to literally thousands of students.

Outside the classroom, he put in long hours coaching high school hockey and soccer, always seeing to it that not just the superstars had a place and a chance to play. Off the athletic fields, he led motivated students into competitions in debate, current events, and mock trials.

Although he loved teaching, he also was a force in the community. His leadership in the Anoka Hockey Association eventually led to the community having an indoor hockey facility of its own where the hundreds of teams in the community could play out of the often fierce elements of Minnesota winters. And hundreds of hockey teams in the area owe their success of his Saturday morning skating program for 4- to 7-seven year olds.

During his 3½ decades of teaching, he and his wife made time to raise a daughter and two sons in Anoka and remained active in Zion Lutheran Church there. Although he has no plans to become inactive in his retirement, he will be missed when the school bells ring next fall.

HELPING LAW ENFORCEMENT

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. MANTON. Mr. Speaker, the cellular telephone is the latest weapon in our war against crime and drugs.

Cellular phones have been aiding our police departments in law enforcement activity for years. The ability to communicate instantly regardless of location has improved the safety and peace of mind to the growing number of cellular customers, and it has proven to be an invaluable asset to our police forces. In New York City, cellular technology has been incor-

porated into mobile command centers. The command center saves time and money by processing suspected criminals at the scenes of a crime.

Using cellular out in the field enables police to give on-hand status and communicate the need for more police support, without broadcasting to the world. It also allows police to actually talk to complaints on the way to the scene, eliminating the middleman of a dispatcher.

Wireless communications also has played a vital role during undercover drug and auto theft investigations. The cellular phone is particularly useful in situations where police must maintain radio silence, especially during surveillance and immediately prior to making arrests. In fact, cellular carriers have cooperated with New York police in cracking several high profile drug cases in the New York area. In addition, officers involved in operations beyond radio range are able to maintain continual contact with headquarters instead of stopping to call from phone booths.

Regrettably, drug traffickers have also discovered the benefits of using cellular technology. In that regard, I introduced legislation in 1990 to prohibit drug pushers from using cellular telephones and pagers.

A second benefit of cellular phones is that cellular customers can confidentially tip police when they see a crime occurring by calling the department on 9-1-1. Cellular carriers in my home State of New York have launched programs with the Department of Transportation and State police agencies that encourage their customers to use car phones to report suspected drunk drivers. In fact, many carriers educate their customers on ways to spot drunk drivers through monthly bill stuffers. This new safety tool adds more than 8 million pairs of eyes to those of the police. And when you realize an estimated 500,000 cellular phone calls are being placed each month to 9-1-1 and other types of emergency networks, you can begin to gauge the safety benefits to our society.

Mr. Speaker, this June has been designated "National Wireless Telecommunications Month" to explain how wireless is improving our quality of life. There is no doubt that cellular phones have enhanced our safety and give police officers an exciting new crime fighting tool.

THE SOCIAL SECURITY ADMINISTRATION INDEPENDENCE ACT

HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. ROGERS. Mr. Speaker, I was unavoidably absent yesterday, and I missed a record vote on H.R. 5429, the Social Security Administration Independence Act. Had I been present, I would have voted "yes" on this important piece of legislation. The Federal Government has no greater obligation to the American work force than to protect and ensure the Social Security system. H.R. 5429 strengthens public confidence in the Social Security system and I am pleased that the House has passed this measure.

TRIBUTE TO OFFICER MARK W. MCKITCHEN

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. MACHTLEY. Mr. Speaker, I rise today in honor of the valiant efforts displayed by Officer Mark W. McKitchen of Pawtucket, RI, as he fearlessly aided 15 apartment building residents escape a fire which blazed through their building early yesterday morning.

With little regard for his own safety, Officer McKitchen sprang into action when he noticed the flames while on his pre-dawn patrol of downtown Pawtucket. He managed to lead all the endangered residents to safety. By pounding on their doors and alerting them to the flames, he had the building evacuated by the time the fire trucks arrived on the scene.

Officer McKitchen has been recognized for his bravery and quick thinking by the patrol commander and captain of the police force. I would like to add my voice to the chorus of those praising Officer McKitchen.

Such fearless dedication as exhibited by Officer McKitchen is extraordinary and deserves our deepest appreciation and respect. I am proud to be able to congratulate Officer McKitchen on a job well done.

PUT THE WHITE HOUSE CONFERENCE ON AGING BACK ON TRACK

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. DOWNEY. Mr. Speaker, I am deeply disappointed by Secretary Sullivan's decision to close the White House Conference on Aging office and terminate its activities. It is tragic that this administration seeks to play partisan politics with the previously bipartisan tradition of White House Conferences on Aging. The history of hostility toward this Conference on the part of the White House began when President Bush refused to call it in its scheduled year of 1991. The chronology of charades continued when the White House suddenly got interested in the Conference after they feared Congress would assume control. Secretary Sullivan's decision now to close the Conference and blame Congress for it simply highlights the hoax the White House has been trying to pull on our senior citizens for the past 2 years.

Secretary Sullivan's statement that the White House Conference on Aging lacks congressional support is totally incorrect. As chairman of the Select Committee on Aging's Subcommittee on Human Services, I take particular exception to this attempt to rewrite history. After all, it was the White House which had the responsibility to convene the Conference in 1991. Presidents Eisenhower, Nixon, Carter, and Reagan all met their responsibilities in a timely fashion. Ironically, had President Bush called the White House Conference on Aging in 1991, as Congress authorized in

the Older Americans Act Amendments of 1987, then the Conference would have been history by now, we could all be working to implement Conference recommendations, and none of this need have happened.

Indeed, in 1989, as chairman of the Subcommittee on Human Services, together with Congressman EDWARD ROYBAL, I chaired a joint hearing with the Select Committee on Aging to determine what the White House's plans were for the Conference. In June 1989, Dr. Joyce Berry, Acting Commissioner of the U.S. Administration on Aging, told the joint hearing:

I had hoped to come to the table today, Mr. Chairman, with a positive response that there would be a 1991 White House Conference on Aging called by the President. I am unable to do that. I am hopeful to have a decision soon.

Unfortunately, President Bush took almost 2 years to decide to hold the Conference and then put it off until 1993.

In September 1989, together with over 90 of my colleagues, I sent a letter to the President urging him to call the Conference. Unfortunately, that letter had no effect. Subsequently, I held a press conference in October 1989 with members of the Leadership Council of Aging Organizations to move the process along. That too was met by silence from the White House.

In March, 1991, despairing of any commitment from President Bush I introduced H.R. 1504, creating a National Conference on Aging to be held in place of the White House Conference on Aging. Introduction of this legislation, and incorporation of some part of it in the Older Americans Act Amendments of 1991, is, I submit, indicative of continued congressional support for the White House Conference on Aging.

In any case, closing down the White House Conference on Aging office at this point after over \$1.7 billion of public funds have already been spent is a waste of money. While I understand Secretary Sullivan's reluctance to seek reprogramming of additional research funds to keep the existing staff on board, I think that it should be possible to keep on sufficient staff pending the reauthorization of the Older Americans Act.

I am confident that Congress will continue to exercise its oversight responsibility over the funds expended. Congressman ROYBAL, Congressman MARTINEZ, chairman of the Subcommittee on Human Resources, and I have asked the General Accounting Office to undertake an investigation of the operations of the White House Conference Office. That investigation will continue. I am sure that the White House Conference on Aging office is able to account fully for this expenditure of funds.

When the 1981 White House Conference on Aging degenerated into an orgy of finger-pointing over its excessively partisan nature, everyone resolved to avoid that experience with the 1991 Conference. Unfortunately, Secretary Sullivan's letter seems to indicate that the finger pointing has begun even before the White House Conference has taken off. While it is unfortunate that the authorization for the White House Conference has been held up by an unrelated provision, that in no way diminishes Congress's support for the White House Con-

ference. I hope that the White House Conference can get back on track—and soon.

CONGRATULATIONS TO WESTVACO

HON. ARTHUR RAVENEL, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. RAVENEL. Mr. Speaker, I rise today to congratulate WESTVACO, a major manufacturer of paper, packaging, and chemical products, for its distinguished forestry and environmental programs which have been recognized, over a long period of years, by a wide variety of resource conservation organizations and State and Federal agencies. At a ceremony held today by the U.S. Department of Interior, Fish and Wildlife Service, WESTVACO was once again recognized, this time for the company's establishment of the WESTVACO Wildlife Management Area [WMA], with the 1992 National Wetlands Conservation Award.

For decades WESTVACO has given priority to wildlife and natural resource projects in states where the company operates, including South Carolina, Tennessee, Illinois, Virginia, and West Virginia, as well as Kentucky—Home of the WESTVACO Wildlife Management Area.

The WMA which includes 3,000 acres owned by the company, is managed as key wintering habitat for waterfowl that migrate along the Mississippi flyway. Along with the Kentucky Department of Fish and Wildlife resources' staff WESTVACO foresters and wildlife biologists are working on projects to establish feeding and resting areas for migratory birds, as well as beneficial habitat for many other wildlife species. This summer, scheduled work includes installation of water wells and water control devices. The estimates are that at peak levels this habitat will shelter 60,000 ducks and 5,000 to 10,000 Canada geese—and perhaps more.

In my home State of South Carolina, I have first-hand experience working with WESTVACO Corp. on similarly innovative conservation projects. Last year, WESTVACO pledged commitment to a program to protect South Carolina's Ashepoo-Combahee-Edisto [ACE] Basin Estuary, one of the east coast's largest remaining undeveloped coastal estuaries.

The Ace Basin includes timber-producing lands, farms, State and Federal refuges and the nursery areas of a highly productive commercial and sport fishery. WESTVACO owns 17,000 acres of timberlands in the basin and assists individual landowners who manage another 15,500 acres of private woodlands. The Ace Basin participants working with WESTVACO working with WESTVACO are the South Carolina Wildlife & Marine Resources Department, U.S. Fish and Wildlife Service, the Nature Conservancy, Ducks Unlimited, and several private nonindustrial landowners.

Although WESTVACO has conveyed several environmentally important sites to the nature conservancy and other conservation organizations for protection, the company's participation in environmental programs such as the

wildlife frequently can achieve these aims more economically and parallel with business objectives.

RURAL ELECTRIFICATION ADMINISTRATION MANAGEMENT IMPROVEMENT ACT

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. PORTER. Mr. Speaker, today I am introducing legislation on behalf of the Administration to improve the Rural Electrification Administration (REA).

According to the REA, only 11 percent of farms and rural areas had electricity at the time of REA's establishment. Today the rate of service is almost 100 percent. The REA has been a very effective agent of change. However, as the composition of rural America has changed, I share the belief of the Administration that we should expect some of these changes to be reflected within the structure and management of the REA.

The changes proposed in this legislation address four particular items. The first item in my bill would repeal the authority of borrowers to determine the terms of telephone loans. Presently, unlike any other government or private sector loan, the borrower may elect to set 35-year amortization period for equipment which in most cases has a life span of 10 to 15 years.

The second item in my bill would direct the administrator of REA and the governor of the Rural Telephone Bank to issue regulations governing the use by a borrower of funds determined to be in excess of the needs of the borrower. Mr. Speaker, this Government cannot continue to provide 5 percent loans to people and organizations who do not need every last penny. This legislation would direct the borrower to choose one of five categories to invest a percentage of excess funds including prepayment of loans made or guaranteed by the REA and providing rate relief to consumers.

The third item in my bill would offer REA borrowers, on a voluntary basis, to prepay their loans based on net present value of the government's cost of funds. The borrowers that take advantages of this provision would not be eligible for loans or guarantees under the Act. According to the Secretary of Agriculture, since 1987, over 50 borrowers have elected to prepay under various prepayment options. Mr. Speaker, these healthy borrowers are able to prepay their obligations to the government and I am convinced that such borrowers would find that the private sector can offer great flexibility in satisfying their needs. Such borrowers need not be subsidized by the government at the 5 percent. Encouraging them to borrow in the private sector seems reasonable and sound fiscal policy.

The final item in the legislation requires the Rural Telephone Bank (RTB) to begin privatization in 1996. The privatization would take place over a period of time and would accelerate borrower control of the RTB.

Mr. Speaker, this legislation reflects the well-founded concerns of fiscally responsible

executors of taxpayer's money. I look forward to working on these improvements measures with fellow members of the House and Administration.

A TRIBUTE TO THE CLARKE SCHOOL FOR THE DEAF

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. NEAL of Massachusetts. Mr. Speaker, I take this opportunity to extend my congratulations to the Clarke School for the Deaf as they celebrate their 125th anniversary of teaching deaf children to speak. The commitment to excellence which the staff and administration of the Clarke School have continually possessed is extraordinary.

From the founding of the school in 1866 with 5 pupils, the Clarke School has achieved great success and it now serves more than 6,000 hearing-impaired families each year. Mr. Speaker, their mission of educating the deaf and teaching them to speak has been remarkable. Mabel Hubbard was an important factor in establishing the school because it was her parents who gave Harriet Rogers money to begin a school for the deaf in Chelmsford, MA, in order to teach her to speak. Only 1 year later, John Clarke, deaf himself, believed that the school was such a great idea that he donated \$50,000 for the school's official foundation.

This generous support for Mr. Clarke enabled the Clarke School for the deaf to become the first permanent oral education school for deaf children in America. Over its 125-year history, the Clarke School has experienced the aid and generosity of many Americans. In 1871, Alexander Graham Bell, son-in-law to Gardiner Greene Hubbard who was the initial founder, began his 51-year duration of assistance to the school as an inventor and teacher. While attempting to invent a practical hearing aid, Alexander developed the idea of a telephone. Presidents Calvin Coolidge and John F. Kennedy both maintained a very strong interest in the Clarke School. The first woman president of Smith College and author of "Road From Coorain," Jill Ker Conway has been a longtime friend of the school. In addition, Mickey Mantle, a former New York Yankee and member of the Hall of Fame, has taped public service announcements for the school over the years.

The Clarke School for the Deaf is currently attempting to raise \$15 million. This "Speak for Yourself" campaign has already raised over \$13 million. People from across the United States are not hesitant to donate to the Clarke School because Americans are extremely proud of the school's efforts to educate America's deaf children. This most recent campaign has seen over 1,000 new contributors. Although it has 125 years of service, the Clarke School looks to an even brighter future. The \$15 million will support Clarke's endowment, foster program enhancement, and fund capital improvements.

The Clarke School has not only educated Americans, but it has also trained teachers

who brought the message of oral education to over 40 foreign countries. Throughout its 125-year history, the school has continually developed its resources in Northampton only to share them with the rest of the world. Concentrating on the areas of improving the teacher training programs, creating links with other institutions both here and abroad, and pioneering in the field of computer-age technology in order to mainstream deaf children into regular hearing classrooms have shown the Clarke School to be a leader in the field of deaf education. Therefore, Mr. Speaker, I would like to commend the Clarke School for the Deaf for 125 years of service and thank them for their tremendous efforts to the improvement of the education of the deaf.

TRIBUTE TO THE FIRST UNITED
CHURCH OF APOLLO

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. MURTHA. Mr. Speaker, I am very proud today to announce that the First United Church of Christ in Apollo, PA will be celebrating its 100th anniversary on July 23, 1992.

As a fundamental institution, the church is the mortar which holds Americans together. It brings us together every Sunday uniting our individual families into one whole community of believers. It strengthens our bonds with our neighbors and helps build community spirit and pride. In these ways it acts as a cornerstone upon which community is built.

The First United Church of Christ has been the mortar holding the people of Apollo together for a century. The people of the church have acted in many capacities to assist others within the community. It has acted as a comforter to the troubled, a beacon of hope to those in despair and a source of strength to the weak.

In a world where success is largely defined in terms of economic accumulation, the church as the heart of community has taught a different kind of success. As John F. Kennedy said "The quality of American life must keep pace with the quantity of American goods. This country cannot afford to be materially rich and spiritually desperately poor." The First United Church of Christ has worked for the past century and will continue to work in the next century to make sure we do not find ourselves spiritually and morally impoverished. Every American should commend this church for these efforts.

RECOGNITION OF A YOUNG
KENTUCKIAN'S ACHIEVEMENT

HON. LARRY J. HOPKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. HOPKINS. Mr. Speaker, I want to take a moment to congratulate a young man in my district who recently won an impressive national honor through his innovation and hard work.

Matt McHargue, a 16-year-old from Richmond, KY, recently won first prize in a nationwide recipe contest conducted by the National Turkey Federation. For his efforts, Matt received a \$2,000 first prize from the federation, along with an impressive amount of media exposure back in Kentucky.

Matt is the son of Paula and Richard McHargue and will be a junior at Madison Central High School.

The contest is conducted in conjunction with June is Turkey Lover's Month, an annual celebration of turkey's emergency as a year-round food item. The National Turkey Federation invites 12- to 18-year-olds from across the Nation to compete in the contest. Winners are judged not only on the quality, taste, and appearance of their recipe but also on the work they do in preparing an essay on nutrition and on safe food handling.

Matt's winning recipe is entitled "Lemon Turkey Stir-Fry With Pasta."

Mr. Speaker, I would like to ask my colleagues to join me in congratulating the National Turkey Federation for providing him an outlet for his talents and for encouraging teenagers across the Nation to learn more about health, nutrition, and cooking.

TRIBUTE TO LIEUTENANT
COLONEL RANDALL R. INOUE

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. VISCLOSKY. Mr. Speaker, I rise today to pay tribute to an outstanding individual, Lt. Col. Randall R. Inouye, who is leaving his command as District Engineer of the Chicago District U.S. Army Corps of Engineers, to assume a position at the War College in Washington, DC.

Lt. Col. Inouye's impressive achievements begin with his educational career. He is a 1971 graduate in Civil Engineering from the University of Hawaii. He also holds a Master of Science degree in Civil Engineering from the University of Washington in Seattle, and is a 1984 graduate of the U.S. Army Command and General Staff College at Fort Leavenworth, KS.

Col. Inouye has held significant command and staff assignments, both in the United States and overseas. He has served as the Deputy District Engineer, Honolulu Engineer District; Deputy to the U.S. Army Western Command Engineer, as the Executive Officer, 65th Engineer Battalion, 25th Infantry Division; Company Commander, Facilities Engineering Support Agency; a Branch Chief and Senior Instructor, U.S. Army Engineer School; a Company Commander in the Republic of Korea; and a platoon leader in Germany.

The Colonel's tenure as Commander of the Chicago District truly deserves recognition. The Colonel was instrumental in completing many local cooperation agreements, including the Green Oaks Reservoir, a 163 million-gallon, \$4.8 million reservoir—one of three being constructed by the Chicago District, as part of the North Branch Chicago River Flood Control Project. The completion of this Reservoir

paved the way for others, including the Deerfield, Bannockburn, and O'Hare reservoirs.

I have truly admired Col. Inouye's skills and commitment to his duties. Northwest Indiana has benefitted tremendously as a direct result of the Colonel's abilities and his devotion to the area. He has personally supervised numerous projects and has provided the assurance that completion will take place in a timely fashion.

Col. Inouye will perhaps be most remembered, however, for his efforts to mitigate the damage caused by the recent Chicago flood. His work with City of Chicago officials revealed an acumen which proved to be successful in averting catastrophic damage in the entire downtown area.

Today, I would like to commend and honor Col. Inouye. It is evident that the Colonel's leadership and perseverance is reflected in his everyday actions, and he should rightly serve as an inspiration to each and every one of us. Join me in wishing Col. Inouye continued success.

100th ANNIVERSARY TO THE
BOROUGH OF SPRING LAKE, NJ

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. PALLONE. Mr. Speaker, Saturday, July 4, 1992, marks two very important occasions for the Borough of Spring Lake, NJ. Obviously, the Fourth of July is celebrated in every community in America, large and small, as our Nation's Independence Day. But for Spring Lake, there is an additional special reason to celebrate as the borough marks the 100th anniversary of its incorporation. And what better way to celebrate these two great occasions than with a parade through town?

The borough governing body, along with the Spring Lake Centennial Committee, has planned a full day of celebrations for Saturday afternoon to mark the birthdays of America and Spring Lake. The parade will contain bands and other marching groups, as well as floats, vintage cars, clowns, unicycles, and many other attractions.

Mr. Speaker, the Borough of Spring Lake was incorporated in 1892. Located along the Jersey Shore, this beautiful community is both a popular summer resort area and the year-round home to thousands of families. The people of Spring Lake are proud of their tight-knit community, and are very excited about celebrating its long and storied history. I, too, am proud to be able to take part in Saturday's centennial celebration.

While Saturday's festivities belong to all of the people of Spring Lake, particular praise should also be extended to the hardworking members of the Centennial Committee, as well as mayor Thomas J. Byrne, council president Richard S. Weiner, and council members Richard J. Furey, Patrick J. McDonald, John F. Phillips, Priscilla M. Reilly, and Joseph C. Rizzo.

TRIBUTE TO RICHMOND "MAX"
KEENEY

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mrs. MORELLA. Mr. Speaker, I am very pleased to rise today to honor a distinguished leader of Montgomery County, Richmond "Max" Keeney. Mr. Keeney, who recently completed his third term on the Montgomery County Planning Board of Maryland-National Capital Park and Planning Commission, is scheduled to retire on July 9.

Mr. Keeney has been helping to make the community its best by avidly participating in a wide range of governmental activities for the past 3 decades. He began his involvement in Montgomery County government as a member of the Montgomery County Council from 1966 to 1970. While there, he was instrumental in the update and adoption of the 1969 general plan on wedges and corridors.

Richmond "Max" Keeney continued to utilize his talents to serve the community when he served as Chairman of the Metro Washington Transportation Planning Board. His expertise was a great help in making the Metro system the successful system that it is. The Council of Government's Committee on Population and Employment Growth was an opportune setting for Mr. Keeney to employ his knowledge in regulatory and financial matters.

His accomplishments over the past 5 years as Vice Chairman of the Montgomery County Planning Board have been the culmination of a very successful career. Since 1987, he has also served on the M-NCPPC Employees' Retirement System Board of Trustees and currently presides as chairman of this committee.

On behalf of the citizens of Montgomery County, I salute Richmond "Max" Keeney for all of his contributions over the past 3 decades. I wish him good luck in all of his future endeavors.

TRIBUTE TO EDWIN "SOUPY"
TULIK

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. NEAL of Massachusetts. Mr. Speaker, today I would like to inform the Members of the retirement of a dedicated public servant, Edwin John "Soupy" Tulik. Mr. Tulik will retire on July 1, 1992, after many years of service to the citizens of the Commonwealth of Massachusetts.

Edwin Tulik was born on May 3, 1927, in Springfield, MA. As one of four children of John and Victoria Tulik, "Soupy" attended local schools in the area. As World War II was nearing an end, Mr. Tulik enlisted in the U.S. Navy in February of 1945. He is a member of the Polish American Veterans Club in Wilbraham, MA.

One of the first jobs Soupy had was as a delivery boy for Chmuras' bakery in Indian Orchard, MA. He also worked as a salesman for

the Metropolitan Life Insurance Co. He then started his career at the State House in Boston. He first worked for State Representative Rudy Chmura of Indian Orchard. Mr. Tulik was Representative Chmura's chief aide as he rose to the chairman of the Post Audit Committee. The last 12 years, Soupy has worked for State Representative Kevin Fitzgerald of Boston.

The one comment I keep hearing about Soupy is what a "real" person he is. The problems of constituents back in the district were his problems. Many a time when Soupy would walk down the hall on an errand he would bump into someone and help that person on the spot.

Mr. Tulik's retirement will be filled with cross-country trips, baseball card collecting, and following the Ludlow High School hockey team. He also will continue his duties as an honorary deputy sheriff of Hampden County. I join my colleagues in wishing Mr. Tulik a well deserved retirement.

NATIONAL WETLANDS
CONSERVATION AWARD

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. BLILEY. Mr. Speaker, I rise today along with my colleagues from the State of Kentucky to honor Westvaco Corp. for receiving the 1992 National Wetlands Conservation Award. Westvaco was selected as the top group/corporate winner by the U.S. Department of the Interior, Fish and Wildlife Service for the company's efforts in establishing the Westvaco wildlife management area located in western Kentucky.

The National Wetlands Conservation Award Program was initiated by the U.S. Fish and Wildlife Service in 1990 to recognize individuals and groups/corporations for their efforts to protect, restore, and/or enhance wetlands. Westvaco is the first corporation to win the award.

Commenting on Westvaco's award, Kentucky Department of Fish and Wildlife Resources Commissioner Don McCormick said that the company's "sterling environmental attitude" serves as an example of the "strides that can be made through cooperative efforts between government and private industry toward the welfare of our natural resources."

Westvaco president and chief executive officer, John A. Luke, stated the "Westvaco's wildlife management area is just another step in a long progression of activities that have kept our company positioned in the vanguard of American industrial performance." Mr. Luke added, "Establishment of a wildlife management area, close by our Wickliffe paper mill, clearly demonstrates the harmony that can be achieved between manufacturing, forestry, and sound environmental practice."

Westvaco's commitment to the environment, I am pleased to add, does not stop along the Kentucky border. Westvaco's operations in Covington, VA, where it operates a major paper mill employing some 1,600 workers; the company's operations in Richmond, where it

operates several plants employing some 900 workers; and Westvaco's Appalachian timberlands are all managed and guided by the same spirit of environmental responsibility and commitment to excellence.

Westvaco has a longstanding commitment to the environment and to the safety of its products, its workplaces, and its communities. As a company, it has invested more than \$420 million in leading edge environmental systems across the company—at least one-quarter of it right in its Covington, VA, mill.

In every State where Westvaco manages forest lands, including Virginia, the company works hand in hand with The Nature Conservancy, National Wildlife Federation State affiliates, National Council of State Garden Clubs, as well as the American Forestry Association, Society of American Foresters, U.S. Department of the Interior, U.S. Department of Agriculture, and State government wildlife and forestry agencies.

Today, on the special occasion of Westvaco's receiving the 1992 National Wetlands Conservation Award, I ask my colleagues to join these important organizations in recognizing Westvaco's leadership in environmental protection, in recreation, in soil and water quality, and in sound multiple-use forest management.

U.S. DEPARTMENT OF INTERIOR
FISH AND WILDLIFE AWARD
WESTVACO CORP. FOR OUT-
STANDING WETLANDS PRESER-
VATION

HON. BEVERLY B. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mrs. BYRON. Mr. Speaker, today is a very proud day for the Westvaco Corp., a major manufacturer of paper, paperboard, and chemical products, located in Luke, Maryland. The U.S. Department of Interior Fish and Wildlife Service is honoring this company with the 1992 National Wetlands Conservation Award.

While conservation efforts as well as reforestation projects may be innovative to some companies in corporate America, these environmental endeavors are fortunately not new to Westvaco. Westvaco possesses a long, demonstrated tradition of contributing to America's natural resources.

Westvaco's commitment to the environment is evident in its extraordinary monetary contributions. This company's cumulative capital investment for environmental protection totals \$420 million. Westvaco makes new capital investments for environmental treatment facilities in the range of \$35 to \$50 million per year. Moreover, this exemplary company incurs \$50 million in annual costs to operate these facilities. Not only does Westvaco make significant fiscal contributions, but it additionally joins other companies in the industry in pledging adherence to the American Paper Institute's Environmental and Forestry Principles. This comprehensive code of principles establishes goals for environmental quality and forestry stewardship for members of the industry's national trade association.

These important principles articulate and reinforce the long-standing practices of Westvaco. Mr. John A. Luke, president and chief executive officer, accepted the 1992 National Wetlands Conservation Award on behalf of Westvaco earlier today. During his acceptance, he stated of the Environmental and Forestry Principles

Westvaco participated actively in the design of these principles and the company's policy has long been to practice sound, comprehensive and diligent stewardship in environmental matters required by them.

Healthy and rapidly growing forests are sanctioned widely as important contributors to the environment. From their successful projects, it is unmistakable that Westvaco reforestation ventures meet this standard. The company plants more than two trees for every one it cuts, and these young, vigorous forests are highly productive oxygen factories.

I commend Westvaco's leadership in business and environmental programs and congratulate the company on being honored with the most prestigious conservation award.

FREEDOM OF CHOICE ACT

HON. TOM CAMPBELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. CAMPBELL of California. Mr. Speaker, Congress can no longer avoid taking a stand on a woman's right to choose.

For two decades, the Supreme Court's opinion in *Roe versus Wade* allowed Congress—and many of its Members—to stand uncommitted on the issue of choice. The right to choose was already protected by the judiciary, and so Congress was able to remain silent on the subject.

But with yesterday's Supreme Court decision in the *Planned Parenthood versus Casey* case, a woman's right to choose is clearly in serious danger. Though a slim majority reaffirmed the essential holding of *Roe versus Wade*—namely that a woman's fundamental right to choose is protected by the Constitution—the Court allowed restrictions that clearly make it more difficult for a woman to obtain a safe, legal abortion. Ominously, the undue burden test applied by the Court opens the way for States to establish additional restrictions. Four of the nine justices concluded that choice is not a liberty protected by the Constitution and that *Roe versus Wade* should be overturned. We appear to be moving swiftly toward a day when only women in selected States will truly possess the right to choose—meaning not only the theoretical right but also concrete access to abortion services.

Congress can no longer afford to sit on the fence on this issue. The time has come for Congress to take a stand on the Freedom of Choice Act and vote to guarantee the right to choose nationwide.

For so many Members of Congress, abortion is an extremely difficult issue politically as well as morally. No doubt, some Members hold positions that run contrary to the views of the majority of their districts. It is understandable that they might wish not to vote on the

Freedom of Choice Act. But it is not excusable. As Members of Congress, we have a duty to take difficult stands on issues and vote our consciences.

Mr. Speaker, I believe that most Americans want to preserve the right to choose. As their elected representatives, we owe it to them to let them know if we agree with them. I hope and expect a majority of my colleagues will join me in voting for the Freedom of Choice Act.

LEGISLATION AUTHORIZING THE SALE OF THE ALASKA POWER ADMINISTRATION TO THE STATE OF ALASKA AND PRIVATE ENTITIES

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. YOUNG of Alaska. Mr. Speaker, today I am introducing legislation to authorize the sale of the Alaska Power Administration [APA], to the State of Alaska and private entities.

The APA consists of two hydroelectric projects, Eklutna and Snettisham, which provide 8 percent of the power used by Alaska's electric utilities. The 30,000 kW Eklutna project has served the Anchorage and Matanuska Valley area since 1955, and will be purchased by the municipality of Anchorage, Matanuska Electric Association, Inc., and the Chugach Electric Association, Inc., all of whom presently purchase the power. The Snettisham project—78,210 kW—has been Juneau's main power source since 1976 and will be purchased by the Alaska Energy Authority.

The two projects were authorized to promote economic development in Alaska and according to Adm. James Watkins, the Secretary of Energy, they have, "Served that purpose well." Further, Admiral Watkins said in a statement,

The relative importance of the Alaskan federal power programs has become quite small and there is no longer a need for a federal program in light of the state and its electric utilities' capabilities to provide for its power needs. Our need to streamline the federal government and our desire to turn over to local control those federal projects which provide only local benefits are driving this action.

Mr. Speaker, I believe this is a clear indication of the administration's support for further economic development in Alaska.

One of the many sticking points with this legislation has been the Alaska delegation's urgency for a more detailed, comprehensive employee-management plan that addresses the jobs of those who may be displaced or dislocated. I have received assurances from Admiral Watkins that every effort will be made to assist employees who wish to continue their Federal careers. The APA and DOE have adopted a divestiture personnel management plan addressing management and employee interests. Key elements include training, assistance in locating other jobs and action by DOE in locating jobs for employees after the

APA work is completed. The purchase agreements provide first call on postsale jobs at the two projects for those APA employees who transfer to the new owners/operators and assistance in locating job opportunities for displaced employees.

I am pleased with the fish and wildlife agreement included in the divestiture summary report. The agreement requires the purchasers, State of Alaska, Department of Commerce, National Marine and Fisheries Service, and the U.S. Department of Interior, Fish and Wildlife Service to enter into a formal agreement providing for postsale protection, mitigation, and enhancement of fish and wildlife resources affected by Eklutna and Snettisham.

Mr. Speaker, I'm very pleased to hear that the important ADF&G operations at Snettisham will not be affected under the agreement. This is too important a facility to jeopardize its continued viability.

Rate impacts from the sale of both projects are expected to be minimal.

Proceeds to the U.S. Treasury will be in the neighborhood of \$73 to \$80 million. Those figures represent 95 percent of the payments the Treasury would receive from continued Federal ownership.

I have always advocated State ownership of these projects. This is a perfect opportunity to consolidate ownership of the two projects and gain local control of the future of power generation in both regions. The divestiture will facilitate management and control of the projects to the State of Alaska.

Local ownership of these projects is essential to the future of regional electric generation in Alaska. This legislation comes at an important time in the future of rural power generation in Alaska. We must begin to think about and address the issue of regionalized electric generation. The lesson is clear: Regional interties, although initially expensive, are a long-term solution to energy problems in rural Alaska.

Because Alaska's rural areas are burdened with extraordinarily high energy costs, something will have to be done in the near future—in the next 5 years or so—because the State subsidy, Power Cost Equalization Program [PCE], which rural utilities rely so heavily upon, will soon be further reduced, resulting in even higher power costs for rural Alaska.

In Alaska, nearly all rural electric utilities face the same problems: Lack of economic density—not enough customers—lack of an electric transmission grid, and expensive generation by small diesel generators. These problems lead to high costs, high rates, low reliability, poor power quality, emergency repairs, emergency replacement, and emergency fuel deliveries.

In southeast Alaska, the communities of Craig and Klawock were connected by a 7-mile line. Shortly after the line was energized in 1989, both the Craig system and the Tlingit-Haida REA system were able to lower their rates—and the rates remain lower today. In the Yukon-Kuskokwim Delta region, a transmission line connects two nearby villages to the Bethel system. This line is very successful in meeting the needs of those communities. A 10-mile line between Kubuk and Shungnak—built as an experiment in the late 1970's using local materials—has worked equally well.

SUPREME COURT RULES ON
PENNSYLVANIA ABORTION LAW

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. SCHEUER. Yesterday the Supreme Court ruling on the Pennsylvania abortion law proved to be a reaffirmation of the rights afforded to women by the 1972 Roe versus Wade decision. Justice O'Connor states:

Liberty finds no refuge in a jurisprudence of doubt. The essential holding of Roe v. Wade should be retained and once again reaffirmed.

The right to obtain an abortion in the United States is still the law of the land. It is part of our laws, and we look to our courts for consistency in the laws. The Court presented a ruling that upheld the powers given to the court by our Constitution. Their decision landed fairly down the middle of the field, leaving opponents at either end trying desperately to fan the flames of a smoldering fire.

The question of "undue burden" lingers on the minds of all of us who wish that there was adequate sex education and availability of family planning services to all who wished access to them. Under the Pennsylvania abortion law, after receiving counseling on the growth of the fetus and alternatives to pregnancy termination, women are required to wait 24 hours until the actual procedure.

For some women, this delay could constitute a cruel imposition. Women in rural areas who have to drive hundreds of miles to obtain an abortion will have to camp out, perhaps in their cars, trying to toss aside the hints of doubt that may permeate their thoughts or forget about the fear of the unknown medical procedure they will face once the sun rises the next morning. Urban women will not have to face the travel, but will still have to suffer under the same psychological games of the mind. Girls under the age of 18 will have to seek consent of their parents or of a judge, forcing them to truly confront the magnitude of their situation.

Despite these rulings, we should not focus on the negative implications. Justices O'Connor, Kennedy, and Souter carefully constructed a decision that emphasizes the value and importance of Roe versus Wade: abortion is legal and it shall remain legal.

Yes, we are watching as Roe versus Wade dangles by a mere thread. This makes it extremely critical that in the November election we elect a President that believes in his gut that the right to an abortion is a fundamental right that should be preserved. Justice Blackmun revealed an anguish that lingers in all of our hearts:

I do not underestimate the significance of today's joint opinion. Yet I remain steadfast in my belief that the right to reproductive choice is entitled to the full protection afforded this Court before Webster. And I fear for the darkness as four Justices anxiously await the single vote necessary to extinguish the light.

We must do everything in our power to ensure that this travesty does not occur. We have that power here in Congress—to choose

to enact the Freedom of Choice legislation—and as citizens of this country we can exercise our vote for a pro-choice President. I am fortunate enough to be able to exercise both of these powers, and exercise them I will.

NFIB EDUCATION CONFERENCE

HON. JOHN A. BOEHNER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. BOEHNER. Mr. Speaker, I recently participated in an education conference sponsored by the National Federation of Independent Business. This conference is the beginning of NFIB's efforts to help improve our Nation's education system. Small businessmen create most of the new jobs in this country, and they must bear the burdens of the failings of our education system. This is why the NFIB is taking an active role in reforming education. Small businessmen understand that their future survival is dependent on an educated work force.

During this conference, members of the NFIB developed a series of solutions designed to improve education.

Mr. Speaker, it pleases me that small businessmen are becoming involved with this issue. They have a firsthand understanding of how schools are failing to educate our children, and can bring a different perspective to solving this problem. I commend the NFIB for their interest in our education system, and hope they continue their efforts to improve our Nation's schools.

1992 NFIB GUARDIAN LEADERSHIP
CONFERENCE

EXPLORING EDUCATION'S FUTURE: THE SMALL
BUSINESS INITIATIVE

Recommendations for Education Reform

1. NFIB expects and demands a high level of individual competence in basic core curriculum i.e., reading, writing, arithmetic and basic sciences to include a basic understanding of the principles of free enterprise and the profit motives.

2. Move to full voucher system—allow free market to work.

3. Curriculum restructuring; (a) by re-instituting tracking—vertical education as opposed to horizontal—based upon individual abilities; (b) to re-emphasize trade/vocational education; (c) allow innovative approaches for uniquely challenged students (boarding school head start).

4. Organizational Overhaul: (a) eliminate teacher tenure/school certification; (b) downsize administrative staff; (c) return to local control; (d) allow non-traditional specialists into classrooms.

5. Each local education district to be accountable to parents and community for teaching standards, economic efficiency and hiring/firing policies.

6. Curriculum should be efficient and accurate in teaching basics: writing, reading, language, arts, math, science, history, free enterprise economics.

7. Schools, administrators and educators should uphold traditional American values.

8. Eliminate role of federal government in education.

9. Eliminate tenure—adopt merit compensation.

10. NFIB should assume responsibility to conduct basic research on successful school/business programs.

11. NFIB must form and lead education improvement coalitions.

12. Local GAC's should sponsor and encourage business awareness that includes business people going into schools at the local level.

13. NFIB encouragement of members to actively participate in system.

14. NFIB members should encourage continuing education of employees.

15. Establish competitions amongst schools (public/private).

16. NFIB should stress co-op programs for grades, not for pay.

AN IDEA WHOSE TIME HAS COME

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. RAHALL. Mr. Speaker, I am introducing a concurrent resolution today, a sense of the House and Senate resolution, calling for free and democratic elections in the West Bank and Gaza.

More than at any other time in our history, providing the means of holding free and democratic elections in the occupied territories is an idea whose time has come.

Because it is fundamentally the long-standing policy of the United States to call for the establishment of democracy around the world, this resolution is consistent with that policy, and is certainly a valid wish for Palestinians living in Israel's shadow on the West Bank and in Gaza.

Mr. Speaker, I have supported the President and our Secretary of State James Baker, both during and since the end of the Persian Gulf war, in their carefully planned, and to date successful, bringing together of the representatives parties to talk of ways to end conflicts in the Middle East.

Why do I say that to date, these peace talks have been successful? Because we are breaking new ground, addressing a series of conflicts that are centuries old and long in the making. I say they are successful because we only have to view the prospect of those conflicts being allowed to continue unabated until, again and again they become lethal confrontations and conflagrations, to realize that any steps taken toward resolving those conflicts, however small at first, are magnified a thousand-fold.

I have great expectations of the eventual outcomes of the peace talks between the representative countries participating in them. I do not hope for, nor expect, overnight resolution of the many issues before them. The Middle East peace talks are going to take a lot longer than a few weeks or months before closure is reached. But I deeply believe that closure will be reached, and in a manner that will bring a lasting peace to the region through recognition of the sovereignty of the nations involved, and in full respect for and observation of every possible human right of their peoples.

Across the world, in recent months, we have seen the emergence of democracies where there was once occupation, dictatorships, and total suspension of individual civil and human rights. We have witnessed, and indeed have sent our envoys to observe, free and demo-

cratic elections in many lands. We have served as their model, and we are proud of it, and have earned the right to say so.

I believe, that the time has come to help bring about free and democratic elections in the occupied territories of the West Bank and Gaza so that they, too, can enjoy the right of self-determination, as we do and as many other former captive nations now enjoy.

As my resolution states, elections are widely viewed as a key step in the peace process that can, and does, change the dynamic on the ground, leading to a permanent settlement negotiated by representatives of parties to any conflict. This is true of the occupied territories.

In 1988, a delegation of leading Palestinian representatives met with officials of the United States Department of State and the National Security Council to propose municipal elections in the West Bank and Gaza.

In 1989, the Government of Israel adopted a four-point proposal, supported in principle by the United States, which included the holding of elections in the occupied territories to select Palestinian representatives who, in turn, would negotiate with Israel interim arrangements and final status for the West Bank and Gaza.

Again in 1989, President Hosni Mubarak of Egypt, proposed a 10-point plan aimed at facilitating an Israeli-Palestinian meeting in Cairo to discuss the details and modalities of free and democratic elections in the West Bank and Gaza.

At the February 24-March 4, 1992 round of Middle East peace talks in Washington, DC, the Palestinian delegation formally presented a comprehensive plan calling for elections in the West Bank and Gaza.

On March 6, 1992, the Government of Israel agreed specifically to immediate negotiations about all modalities, including municipal and other elections.

Mr. Speaker, in keeping with the premise that it is necessary to maintain public order during free and democratic elections, and to guarantee freedom of speech and assembly, freedom of political expression and political party affiliation; and recognizing that candidates to campaigns must have unimpeded access to printed and broadcast media, as well as freedom of movement, and guarantees of the physical security of candidates and mass sufferage, I offer my resolution calling for free and democratic elections in the West Bank and Gaza.

I am resolved, and I call upon my colleagues in the House to add their voices to mine, that in order to assure that elections in the West Bank and Gaza take place in an environment that is as free and democratic as can be made possible, that we pledge to assure the Palestinian population of East Jerusalem are eligible to participate fully in such elections. Further, we must strive to assure that all Palestinian political prisoners, including those now held without charge under house arrest or administrative detention, be allowed to participate in the elections, and that those prisoners duly charged be guaranteed a fair, speedy, and public trial.

I am resolved that the holding of elections should not be subject to preconditions that would in anyway prejudice the final outcome of the elections process or of the peace negotiations currently underway among the parties to the conflict.

And I am resolved that given the difficulties involved in conducting an election during a period of popular unrest and in a territory whose status is itself still unresolved, that the Israeli defense force and other security personnel be redeployed away from civic centers, municipalities and voting stations during the campaigns and at the time of the elections. Further, I am resolved that Israeli settlers should be disarmed, and their noninterference in the electoral process be guaranteed. And finally, I am resolved that there should be international observation in which Members of the U.S. Congress and other American public figures would be encouraged to play an active role during this unprecedented electoral process.

Mr. Speaker, this is the heart of the concurrent resolution I introduce today.

I urge my colleagues to join me in cosponsoring the resolution, and to work in furtherance of its aims and goals, in the name of the peace and democracy in the Middle East.

FOREIGN TRAVEL

HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. RAY. Mr. Speaker, the responsibility of a Member of the House of Representatives involves some foreign travel. During my 5 terms in the House of Representatives, and as a member of key subcommittees on the Armed Services Committee, it has been necessary to travel on 19 trips to U.S. bases or on special assignments.

I have always endeavored to travel on commercial aircraft whenever possible, and I have seldom traveled with large groups of Members of Congress. My visits have always been documented, made available to the press, and summarized in reports for the Armed Services Committee. In most cases my travel has led to positive amendments or necessary legislation. I have not participated in any so-called junkets.

My foreign travel has involved four areas. In 1983 I was the only freshman Congressman appointed to the Arms Control Panel of the House Armed Services Committee. Through travel associated with my work on this panel I was involved in arms control talks and negotiations.

For several years I was the House Armed Services Committee point person on air base defense. Much of my work in this area led to the acquisition of the Hawk and Patriot missile defense systems for the defense of our European bases. In particular, my travel to European bases led to the development of an air base defense plan by the Department of Defense to protect our air bases in Europe.

My service on the North Atlantic Assembly Panel has allowed me the opportunity to contribute to NATO meetings. I was selected to attend four NATO meetings in Europe over a 2-year time period. This travel enabled me to better understand the House Armed Services Committee's funding of U.S. NATO commitments.

Finally, since 1985 I have chaired the House Armed Services Environmental Res-

toration Panel. This panel oversees the cleanup on United States military installations in Europe, the Pacific, and in the United States. Travel to national priority sites is the only way to understand the serious problems we face in cleaning up our bases. My travel in this area has led to the direct cleanup of U.S. military bases and a greater awareness of environmental restoration.

Mr. Speaker, I now disclose for the CONGRESSIONAL RECORD a comprehensive list of my foreign travel.

FOREIGN TRAVEL BY CONGRESSMAN RICHARD RAY ON BEHALF OF THE COMMITTEE ON ARMED SERVICES

Visits connected with the arms control panel:

Number of trips: 2.

Date: July 5-9, 1983.

Country: Austria.

Purpose: To participate in arms control discussions and negotiations.

Date: November 8-21, 1985.

Countries: Switzerland, Austria.

Purpose: To participate in arms control talks.

Visits connected with air base defense to establish and improve missile protection for U.S. and NATO bases and to promote procurement of the patriot missile for U.S. and Allied Forces:

Number of trips: 3.

Date: October 11-19, 1984.

Countries: West Germany, Italy, United Kingdom.

Purpose: To visit NATO air bases. Congressman Ray has been recognized as the point person for the House Armed Services Committee on air base defense. (traveled commercial).

Date: June 26-July 10, 1986.

Countries: Germany, Norway, Denmark, England.

Purpose: To assess the progress of implementing the air base defense plan. (traveled commercial).

Date: August 21-31, 1989.

Countries: Germany, United Kingdom, Italy, Belgium.

Purpose: To investigate the status of air base defense and implementation of the Patriot Missile Defense System. (traveled commercial).

Visits to Central America during the Nicaraguan conflict: Number of trips: 3.

Date: May 29-30, 1986.

Country: Honduras.

Purpose: To inspect the Contra camps during Contra the Congressional Contra debates. (traveled commercial).

Date: June 1-4, 1986.

Countries: Guatemala, Nicaragua, Costa Rica, Honduras, El Salvador.

Purpose: Led 12 Members of Congress to meet with the governments of these countries to discuss the Contra situation.

Date: January 30-31, 1988.

Country: Nicaragua.

Purpose: To participate in discussions with Nicaraguan officials and representatives of the U.S. State Department.

Visits associated with Congressman Ray's chairmanship of the Environmental Restoration Panel of the House Armed Services Committee: Number of trips: 2.

Date: December 10-19, 1990.

Countries: Philippines, Japan, Korea.

Purpose: To review environmental problems involving U.S. bases in the Pacific. (traveled commercial).

Date: August 5-17, 1991.

Countries: Germany, Czechoslovakia, United Kingdom, Italy.

Purpose: To assess environmental problems at bases in these countries, particularly

in light of base closure. On this trip Congressman Ray became one of the first Westerners to visit an abandoned Soviet base near Prague, Czechoslovakia. (traveled commercial).

Visits associated with Congressman Ray's position on the North Atlantic Assembly Panel (NATO Panel): Number of trips: 4.

Date: January 4-14, 1990.

Countries: Belgium, Italy, Hungary, Germany, Austria.

Purpose: To examine the Conventional Forces Reduction negotiations and the NATO Defense College.

Date: November 24-December 2, 1990.

Countries: United Kingdom, Austria.

Purpose: To participate in the North Atlantic Assembly meeting, get an update on the Conventional Forces Europe agreement, and get a briefing on the recently completed inspection of Iraqi nuclear facilities by the International Atomic Energy Agency.

Date: May 24-27, 1991.

Countries: Netherlands, Belgium.

Purpose: To participate in the North Atlantic Assembly Meeting.

Date: October 18-28, 1991.

Country: Spain.

Purpose: To participate in the North Atlantic Assembly Meeting.

Other official House Armed Services Committee travel: Number of trips: 5.

Date: September 23-29, 1983.

Countries: Cyprus, Lebanon.

Purpose: To accompany members of the Readiness Subcommittee to determine if the War Powers Act was being violated by stationing Marines in Beirut.

Date: November 8-21, 1984.

Countries: Singapore, Korea, Hong Kong, Japan.

Purpose: To meet with the leadership of the countries supporting the South Pacific Nuclear Free Zone.

Date: February 8-14, 1986.

Countries: Korea, Philippines.

Purpose: To follow up on military construction projects which had been authorized by the Armed Services Committee.

Date: November 10-15, 1986.

Countries: Philippines, Thailand, India, Nepal, Jordan, Pakistan.

Purpose: To receive overview briefings on U.S. military relations with these countries.

Date: January 7-18, 1989.

Countries: Hong Kong, Thailand, Turkey, Spain.

Purpose: To meet with U.S. government counterparts to discuss U.S. military support of these nations.

Total number of foreign trips taken: 19.

RAHALL PAYS TRIBUTE TO EVELYN DUBROW

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. RAHALL. Mr. Speaker, I rise to pay tribute to a great lady, who has been a good friend to me, as well as to all of those who work to uphold liberal traditions across the length and breadth of our proud Nation, the Honorable Evelyn Dubrow.

Ms. Dubrow has been called a torch-bearer for the labor agenda, and is known as an indefatigable lobbyist for labor and other progressive causes.

Ms. Dubrow's career spans a half-century, having begun as a journalist; she then became an official of the New Jersey Textile Workers Union of America. She is the epitome of "Buy America" in the truest sense, as an outspoken champion of the people who make the clothing most Americans buy and are proud to wear.

For the past several decades she has been on the front lines fighting for rights of the members of the International Lady Garment Workers Union [ILGWU], and in fact she is the personification of commitment, compassion, legislative savvy, personal strength, and professional integrity when it comes to all those who need a friend to defend their causes before Congress, or in any other forum.

Evy, as she is known to everyone, is the stuff of which legends are made, but she is best known for literally hammering out acceptable legislation for labor, piece by piece over the years, and the bills not only had substance and the staying power required to sustain long-term social progress in America, but which always upheld the finest American traditions and ideals.

Evy Dubrow has touched many lives during her tenure in Washington, embracing several generations of men and women who have looked to her for leadership and who have never been disappointed—for if Evy Dubrow is anything at all, she is a leader.

Being in awe by the multitudes, at ease in the presence of the all-powerful, from Presidents to Members of the U.S. Senate and the House of Representatives, she is also deeply respected by all who know her, whether in the hallowed Halls of Congress or in the trenches of labor warfare. Wherever the people she represents need her, that is where you will find her.

Evy Dubrow has been making a difference since she began her activities during World War II, the past 35 of those years spent here in Washington. Attesting to the exemplary professional life she has led, are the many awards and citations she has received over the years.

The Opportunities Industrialization Centers [OIC] awarded Evy its Legislative Government Award, and her contributions on behalf of consumers' rights have been recognized by the National Consumers League and the Consumer Federation of America—the latter for her outstanding work on behalf of the elderly. The Hispanic Labor Committee cited her for promoting full potentiality for working people, while the Women's Equity Action League, the Women in Government Relations, and the Women's Legal Defense Fund, Girls' Clubs of America, the National Urban Coalition, the National Farmers Union, the National Council of Jewish Women, the United National Association of the United States of America, and last but not least the ILGWU Florida Retirees Clubs, all have similarly honored her and paid tribute to her many and varied contributions to society in America.

This year, Evy Dubrow received the Ellis Island Medal of Honor.

I proudly add my name to the long list of Evelyn Dubrow's admirers, friends, and colleagues, and herewith convey to her my most respectful congratulations for a lifetime of achievement.

Evelyn Dubrow is a remarkable woman, and a devoted, dedicated champion of all things American.

JUNE IS TURKEY LOVERS' MONTH

HON. JOHN A. BOEHNER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1992

Mr. BOEHNER. The people of Ohio and the people of my district have a deep appreciation of the value of agriculture. They understand the role it has played in making our Nation the strongest most prosperous country in history, and they appreciate the role it continues to play in stimulating our economy.

Today, I would like to take a moment to salute one of the rising stars on the Ohio agricultural scene—our thriving turkey industry.

To most of us, turkey has been part of a traditional holiday meal, served at Thanksgiving and Christmas and forgotten the other 363 days of the year. Times have changed. Today's active, health-conscious American is looking for foods that are nutritious, versatile, and easy to prepare. The turkey industry has responded to their demand, and the result has been a doubling in turkey consumption during the last decade.

A quick look at turkey production in Ohio reveals a microcosm of the industry's growth nationwide. Once a fledgling industry in our State, Ohio's turkey growers produced 5.4 million turkeys last year. This is a 14-percent increase from the 4.7 million produced in 1990, and it puts Ohio on the brink of being one of the 10-largest turkey producing States in the Nation.

Cooper Foods, one of Ohio's premier turkey processors, has a major plant in my district, and I personally can attest to the economic benefits that flow from this industry. The turkey industry employs thousands of Ohioans, and pumps countless millions of dollars into our State's economy.

The turkey industry has chosen June to celebrate its emergence as a major force on the agriculture scene. I believe the choice is extremely appropriate. Grilling season is upon us, and turkey is fast becoming one of the most popular items for backyard barbecuing. The variety of products available ensures that turkey's popularity will stay strong for years to come.

Therefore, I urge my colleagues to join me, the people of Ohio and the National Turkey Federation in celebrating June is Turkey Lovers' Month and in recognizing the many benefits the turkey industry brings to our agricultural economy.