

## SENATE—Wednesday, January 27, 1993

(Legislative day of Tuesday, January 5, 1993)

The Senate met at 1 p.m., on the expiration of the recess, and was called to order by the Honorable KENT CONRAD, a Senator from the State of North Dakota.

The PRESIDING OFFICER. The Reverend Richard C. Halverson, Jr., of Falls Church, VA, will offer the prayer.

## PRAYER

The Reverend Richard C. Halverson, Jr., of Falls Church, VA, offered the following prayer:

Let us pray:

Almighty God, we thank Thee for the gift of love which is greater than all other gifts, and the law of love upon which all other laws depend. And we pray that Your love will overrule the proceedings of the Senate. We thank Thee for the inspired words of Scripture which say:

*Though I speak with the tongues of men and of angels, and have not charity, I am become as sounding brass, or a tinkling cymbal. And though I have the gift of prophecy, and understand all mysteries, and all knowledge; and though I have all faith, so that I could remove mountains, and have not charity, I am nothing. And though I bestow all my goods to feed the poor, and though I give my body to be burned, and have not charity, it profiteth me nothing.*—I Corinthians 13:1-3.

Lord, as Your "gifts" to the Senate enter this Chamber to debate and determine the difficult issues which face them, that Your "charity" be their moderator. Your Word teaches that "oratory" cannot stand alone, "knowledge" and "prophecy" are only in part. Even "faith" and "good works" are not enough when left alone. So we ask for the firm leadership of Your "charity" to help all work together for good. Help us to remember in the heat of our deliberations, Your admonition:

*And now abideth faith, hope, charity, these three; but the greatest of these is charity.*—I Corinthians 13:13.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The assistant legislative clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, DC, January 27, 1993.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby

appoint the Honorable KENT CONRAD, a Senator from the State of North Dakota, to perform the duties of the Chair.

ROBERT C. BYRD,  
President pro tempore.

Mr. CONRAD thereupon assumed the chair as Acting President pro tempore. se date?

## RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

## THE JOURNAL

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

The ACTING PRESIDENT pro tempore. The leader is correct.

## MORNING BUSINESS

Mr. MITCHELL. Am I correct in my understanding that under the previous order there will now be a period for morning business, during which Senators will be permitted to speak?

The ACTING PRESIDENT pro tempore. The leader is correct.

Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 2 p.m., with Senators permitted to speak therein for not to exceed 10 minutes.

## SCHEDULE

Mr. MITCHELL. Mr. President, and Members of the Senate, there will be no recorded votes in the Senate today, and I anticipate no legislative business.

The Labor Committee has reported two important bills, one is the reauthorization of the National Institutes of Health, the other is the Family and Medical Leave Act.

I have publicly stated and now restate my intention to proceed to those measures as soon as possible. I have notified the distinguished Republican leader of my intention in that regard and have requested his response as to whether or not any of the time periods under the rules may be waived to permit us to proceed to those matters, or that we will have to proceed in accordance with the rules.

I will make an announcement to the Senate, as soon as I am able to, regard-

ing precisely when we will take up one or both of those measures. I expect it to be within the next few days, pending those further discussions. I understand that the Republican leader is, appropriately, of course, consulting with his colleagues before responding on this matter.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

Mr. METZENBAUM. 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.

Mr. METZENBAUM. Mr. President, I ask that the Senator from Ohio be recognized for a period not to exceed 10 minutes.

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

Mr. METZENBAUM. I thank the Chair.

(The remarks of Mr. METZENBAUM pertaining to the introduction of S. 221 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

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

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

The assistant legislative clerk proceeded to call the roll.

Mr. COHEN. 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 Maine is recognized.

Mr. COHEN. I thank the Chair.

(The remarks of Mr. COHEN pertaining to the introduction of S. 223 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

## GAYS IN THE MILITARY

Mr. COHEN. Mr. President, there has been a good deal of controversy regarding gays in the military. For the last several days, it has been evident that the controversy surrounding this issue is neither going to disappear nor assume a lower profile in the national debate.

A group of Republicans has been holding meetings. Several Senators

such as Senator DOLE and Senator THURMOND, are in the process of preparing legislation that would preserve the ban on gays in the military until it is overturned by legislation.

I believe there are two points at issue. One is policy, the other is process. For many years, military policy has been to exclude gays from military service. The argument has been that it will have a negative impact upon morale, readiness, unit cohesion, and general fighting capability.

These arguments may no longer be valid or, are less persuasive. Perhaps they were marshaled in the days of the dark ages and the time has come to allow sunlight to cast an illuminating eye upon unfounded bias or bigotry.

However, arguments over policy bring into question the second part of the equation—process. It is my firm belief that we ought not to change the policy banning gays in the military until we have explored, on an evidentiary basis, whether these arguments are relevant and whether they will hold up to the test of rationality. In my opinion, that has not been done. The decision to overturn the ban has been made and we will hold the hearings later, like something out of Alice in Wonderland—verdict first, trial later.

I believe we should have hearings first. We should call upon General Powell, the Joint Chiefs of Staff, leaders of the various veterans organizations, men and women who served in the field, and those who have been expelled from the military, to compile a body of evidence upon which we can make an informed decision.

For these reasons we should support the proposal which I believe will be offered on the first possible legislative vehicle, whether it is the family leave or motor-voter bills. I am sure the proposal is going to be offered soon.

I would like to make it clear that I intend to support the legislation but with the understanding that I will keep an open mind. I intend to listen to all of the evidence and the arguments as to why eliminating the ban would erode, undermine, or corrupt the military. I have no prejudgment on this matter.

I hope we can conduct an open-minded inquiry rather than react on a knee-jerk basis to how many phone calls and letters we are receiving. They are important, but we need to debate this on a dispassionate basis; otherwise we will find ourselves simply arguing on the basis of bigotry, prejudice, and bias. What we need to ask ourselves is whether there are legitimate reasons to continue this policy. If there are, the policy ought to remain intact. If there are reasons why we should modify, alter, or abandon it, let those who so argue bear the burden of proof.

We should approach this issue not in a spirit of vindictiveness or narrow-

mindedness but, rather, in a spirit of openness. Let us listen to the facts. Let us maintain the policy until such time as we understand whether there are legitimate reasons to change it.

A number of people have claimed that my participation in meetings these past several days indicates that I am part of a rightwing conspiracy to deny many people in our society an opportunity to serve in the military. That is not the case. I intend to support the existence of the current policy but keep an open mind until all the evidence is presented to the Senate Armed Services Committee.

#### ADJOURNMENT OF THE HOUSE OF REPRESENTATIVES

The ACTING PRESIDENT pro tempore. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of House Concurrent Resolution 27, a concurrent resolution providing for adjournment of the House of Representatives just received from the House; that the resolution be agreed to and the motion to reconsider laid upon the table.

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

So the concurrent resolution (H. Con. Res. 27) was agreed to.

#### EXTENSION OF MORNING BUSINESS

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the period for morning business be extended beyond 2 p.m. under the same conditions and limitations as previously ordered.

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

Mr. METZENBAUM. Mr. President, 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. GRASSLEY. 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.

Mr. GRASSLEY. I thank you, Mr. President.

#### CLINTON SUPPORT FOR ENERGY TAXES

Mr. GRASSLEY. Mr. President, I rise today because I want to discuss what has been showing up in the news media lately about support for an increase in energy taxes by some members of the Clinton administration.

President Clinton was elected promising to stimulate the economy, create

jobs, increase productivity, and lower taxes on the middle class. Yet the first thing we hear from President Clinton's administration is a desire to raise taxes, and more specifically perhaps, an energy tax. In one fell swoop all of these promises would be broken if we move to increase energy taxes, because the regressive nature of these taxes impact negatively upon the economy, the creation of jobs, and productivity.

Whether it be a carbon tax or whether it be an energy consumption tax or whether it be an oil import fee or gasoline tax, all of these will dampen economic recovery. They will cost us jobs. They will decrease productivity. And of course they will hurt a lot of lower- and middle-income people.

I am most interested in the gasoline tax because I do not think there is an appreciation, maybe in the Congress, but for sure not an appreciation in areas where they have mass transit like we do in Washington here; that in rural areas of America people are so tied to the automobile for earning their living. They go to work. They do not have the alternatives of mass transit.

I think to some extent if you would take the people who ride chauffeur-driven limousines around this town and the corporate world, and you take away the people from the cities of America who are advocating an increase in gas taxes, you will not find much talk about gas taxes. A lot of it is coming from people who will never bear the brunt—maybe do not even have to pay—for the gas that is burned in their automobile and for an increase in gasoline tax.

So I think that this is a barrier between what might be honest thought processes of people in this country who are proposing these increases in gasoline tax and the realities of life out at the grassroots.

I do not pretend that President Clinton has that barrier, because he has not been a part of this city, and he comes from a smaller State where automobiles are used a lot. He knows the importance, and I think that for the most part he is yet in touch with grassroots America. I would just hope that he does not forget that.

But some of the talk about the increase in gasoline tax around this town from those who are insulated from paying that tax worries me. I hope that he does not let that have too much of an influence on his decisionmaking process.

The tax is regressive. He said that because it hits hardest at America's working families; particularly those in the lower- to middle-income levels. These people do not have the option to buy a new car that uses less fuel. They struggle every day to make ends meet. They do not have mass transportation. They need to use their cars to get to work, to go to the store, just to live. It

is not like it was implied in Time magazine 2 weeks ago that riding in a car is a luxury that can be taxed. It is not a luxury. It is a necessity for most people.

Included in the October 1990 budget agreement, which helped cost President George Bush his job, was a 5-cent gas tax increase. This increase is estimated to cost American taxpayers \$6.6 billion per year or \$33 billion over the length of that agreement.

This nickel increase in the gas tax was set to expire after fiscal year 1995. However, the transportation bill that passed Congress in 1991 enacted half of that nickel through the fiscal year 1999. So that means that Federal gas taxes that would have dropped to 11.5 cents from 14 cents a gallon in October 1995 will not do that. It will not drop to the 9 cents. This will cost American taxpayers \$3.3 billion per year, or \$13.2 billion from 1996 to 1999.

So if it is a fact that we have increased gasoline taxes this year, if we do, it will be the third year of increases. Iowa is an energy dependent State. With its agricultural base and its long distances between destinations, increasing energy taxes will place an unequal and unfair burden on the taxpayers of Iowa and particularly in the agriculture community.

The agriculture community is a consumer of energy. Not only the fuel tanks of our tractors and combines but fertilizers that we use as input for better crop production all are users of energy, and of course farmers rely on trucks to take their products to town.

By increasing the gas tax we are increasing the cost of farming that eventually consumers are going to pay.

It is disappointing to see a new administration focusing its attention on increasing taxes instead of decreasing Government spending. When are we going to learn a very simple lesson? Higher taxes in this body have never resulted in lower deficits. They lead to higher levels of expenditure.

The Federal Government does not suffer from lack of revenue. Over a long period of time, revenue coming into the Federal Treasury has remained fairly stable at approximately 18 to 19 percent of GNP, and that has had billions of dollars more revenue coming in every year from the very same taxes. So there is new revenue to spend but it still maintains constant about 19 percent of GNP.

What is wrong with the deficit is that expenditures are approximately 25 percent of the gross national product, and they have been growing over the last 4 to 5 years.

The bottom line is that you cannot raise taxes high enough to satisfy the appetite of Congress to spend money. You have to take care of that on the expenditure side of the ledger. I would like to be part of an agreement where there was an effort to actually reform

the expenditure side. Then I would not mind talking about taxes because at that point a dollar's worth of taxes would be a dollar's worth of deficit reduction. But when you mix the idea of increasing taxes with the idea of decreasing, it all gets put into the same pot. That is where you get the higher levels of expenditure. You do not get the dollar reduction in taxes.

So, Mr. President, my point in being here is that today I have sent a letter to President Clinton stating my views on these issues that I have expressed here. I would like to have that placed in the RECORD at this point. The letter expresses the points so stated. I am basically asking him in this letter to remember his promises.

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

U.S. SENATE,

Washington, DC, January 27, 1993.

THE PRESIDENT,  
The White House,  
Washington, DC.

DEAR MR. PRESIDENT: I am writing to express my great concern regarding your recent consideration of increased energy taxes.

During the last year, you promised to help stimulate our economy by increasing jobs, increasing productivity and lowering middle class taxes. Raising energy taxes, whether on gasoline or on a broader scale, will break each of these promises.

Because energy taxes are highly regressive, the middle class and the poor will bear the brunt of any new energy tax. In addition, when energy costs go up, productivity falls and jobs are lost. Your own Council of Economic Advisors Chairwoman, Laura Tyson, has warned that the economy is not strong enough to withstand any type of major tax increase. Furthermore, we should have learned from the disastrous 1990 Budget Agreement that raising gas taxes little, if any, real effect on reducing the deficit.

My own state of Iowa is an energy dependent state. With its agricultural base, and long distances between destinations, increasing energy taxes will place an unequal and unfair burden on the taxpayers of Iowa.

Some of your advisors have attempted to mitigate the effect of these tax increases on the middle class and poor by arguing they would be "balanced" by increasing taxes on the wealthy. Unfortunately, this kind of "balance" means higher taxes for everyone.

It is very discouraging that your new administration appears to have already focused its attention and discussions on increased taxes instead of decreased government spending. I strongly encourage you to reverse this disappointing trend and concentrate your efforts on limiting government expenditures rather than on innovative revenue enhancements.

As a member of the Finance Committee, I look forward to working with you as we attempt to create a true economic growth package that will help revitalize our economy.

Sincerely,

CHARLES E. GRASSLEY,  
U.S. Senator.

#### TRIBUTE TO JUSTICE THURGOOD MARSHALL

Mr. GRASSLEY, Mr. President, it is with deep sadness that I learned of the

death Sunday of retired Supreme Court Justice Thurgood Marshall. Justice Marshall had earned an enduring place in American law.

Born only a short time after the Supreme Court had ruled that "separate but equal" was constitutionally acceptable, Justice Marshall devoted his life to convincing the courts and all Americans that constitutional guarantees must be provided to millions of people for whom they existed only on paper.

This driving force came from the segregated conditions of his boyhood and his determination to correct them. Initially, the desire to make society respect the Constitution led him to Howard University Law School, where his excellent scholarship enabled him to graduate first in his class.

As the head of the NAACP legal Defense Fund, Marshall frequently risked life and limb in pursuit of the equality that had been promised but denied. At some points in this part of his career, he oversaw hundreds of civil rights cases simultaneously. As a result of his efforts, thousands of people were given hope that an indifferent legal system could be made to respect their rights. Not only was Marshall a successful advocate in many of these cases, but he also devised a strategy of attacking in a systematic fashion the existence of segregation, selecting particular cases that would further the goal.

For instance, in 1944, he won *Smith versus Allwright*, which held unconstitutional a political party's exclusion of racial minorities from primary elections. The crowning achievement in his service with the NAACP was winning—unanimously—the 1954 decision in *Brown versus Board of Education*, which declared school segregation unconstitutional. These two cases involved education and the vote, the bases by which all individuals can achieve full participation in American society, and thus form a particularly significant legacy of Justice Marshall's tenure with the NAACP Legal Defense Fund.

In 1961, Marshall became a judge on the U.S. Circuit Court of Appeals. Not a single one of his opinions was overruled by the Supreme Court. In 1965, he became Solicitor General, arguing the Government's position in cases before the Supreme court.

By this time, he was justly recognized as one of the greatest advocates in American legal history, having won 29 of the 32 cases he argued in the Supreme Court. In 1967, Justice Marshall further made history as the first African-American to serve on the Supreme Court. There, he continued to uphold the ideals that had always been at the forefront of his professional efforts. Additionally, several of his colleagues have remarked that his background and experiences brought a unique perspective to the sometimes cloistered court.

Thurgood Marshall's lifetime of accomplishment reminds us of the necessity of making the constitution a living reality for all Americans. I extend my sympathy to his family and many friends.

His leadership will be missed.

I yield the floor.

Mr. EXON addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska.

Mr. EXON. Mr. President, may I inquire as to whether or not we are in morning business at the present time?

The ACTING PRESIDENT pro tempore. The Senator is correct. There is a 10-minute speaking limitation.

Mr. EXON. I am introducing today a package of budget reform measures that I hope the Congress will pass and the new administration will use in order to get our country's bloated Federal spending under control.

One of the first places that needs to be cut in the Federal budget is the pork barrel spending. Each year Congress passes appropriation bills that are laden with individual funding for special projects, funding that is sought by specific Members of Congress. Although each such item no doubt has its merits, there is little question but that a prime motive in many appropriation items is to enable a Member of Congress to bring home the bacon.

Our current system of Government works to fuel the flames of unlimited spending and needs to be changed. It is simply unrealistic to expect individual Members to volunteer not to pursue pork for his or her State or district when others will continue their efforts in that regard. The President, in determining whether to sign a bill, must look at each bill as a whole and is therefore forced to accept the good things in the bill along with the bad. So today I am introducing the Enhanced Rescissions Act, which would give our President the authority to rescind specific funding included in our appropriations bills. Upon making a decision to rescind an item, the President would be required to seek congressional approval. If Congress does not agree by at least a majority vote in both Houses, then the funding must be released. This is a reasonable solution because it would require Members of Congress to publicly vote on their spending requests and force them to defend each item individually.

The second measure I am introducing as part of my budget reform package is a bill that would require the President to submit and the Congress to enact a balanced Federal budget.

Several years ago I introduced similar legislation and noted that deficit spending was one of our most serious problems. That was before we set a record deficit of over \$265 billion in 1991. That was before we set yet another record deficit of over \$290 billion in 1992. That was before our Federal

debt topped the \$4 trillion mark. It now seems certain that our indebtedness will be well over \$5 trillion before we can begin to reduce it.

Our new President, like myself, served for many years as Governor of a State that requires a balanced budget. He knows that balancing a budget requires making tough decisions and understands that political leadership is essential if we are to develop a budget that is fair and acceptable to the American public. The Federal Government has no such law requiring a balanced budget and in my opinion, it needs one as one more tool on the way to restoring fiscal responsibility to our Federal budgets.

The third measure in my budget package is debt ceiling reform. Although we have now seen a series of bills that have addressed our budget process, the fact is that we still do not link our budget with our debt ceiling. This would be the most honest and obvious way of measuring our Federal deficits.

This bill would mandate that we include extending the debt ceiling as part of our annual budget process. Congress would be forced to determine, as part of the budget process, how much the debt ceiling needs to be raised for the coming year. This would necessitate continuous enforcement of the deficit targets contained in each year's budget. If Congress borrows funds at a rate faster than contemplated by the annual budget, then a three-fifths vote would be required to increase the debt ceiling. By contrast, other measures to resolve the problem, such as a reduction in spending, would require only a simple majority vote. In the past, the easiest way to resolve our budget problems has been to simply increase our debt ceiling.

As this new session of Congress begins, I am calling for several reforms to our budget process. It is obvious that our efforts to place some controls on our deficit spending have failed miserably.

But just a few days ago, we heard a stirring and effective inaugural address from our new President. What was particularly impressive, and refreshing, to me was our new President's willingness to call upon our citizens to make the sacrifices that we all know must be made if we are to obtain some control over our Federal budget. The measures I have introduced today would require the Congress to meet the American people in this challenge. I think they expect and deserve no less and I will be working hard toward that end.

Mr. President, at this time, I send to the desk three bills that I just referenced and I ask that accompanying statements with each one of these bills be printed in the RECORD. I request that the bills be printed in the RECORD and appropriately referred.

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

Mr. EXON. I thank the Chair.  
(The remarks of Mr. EXON pertaining to the introduction of S. 224, S. 225, and S.J. Res. 25 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

#### A TRIBUTE TO L. CPL. ANTHONY D. BOTELLO

Mr. NICKLES. Mr. President, I rise today in tribute of a young man from my State of Oklahoma who made the ultimate sacrifice for peace, freedom, and justice. His participation in our relief efforts in Somalia has helped to save thousands of lives, most of which are innocent women and children.

U.S. Marine L. Cpl. Anthony D. Botello of Wilburton, OK, was killed on January 26, 1993, while on late-night patrol in the Somali capital of Mogadishu. Corporal Botello is survived by his mother, Caroline Ann Gean, who still lives in Wilburton, OK, and his wife, Sharla, who was residing in Twentynine Palms, CA, where Corporal Botello was assigned to the 7th Marine Regiment.

Anthony Botello answered the call of his country to bring peace and stability to a country ravaged with war, poverty, and starvation. He selflessly confronted evil for the sake of good in a land far away and for starving people he did not know. He defended honorably the principles of justice, morality, and benevolence in order to protect the weak against the strong. The loss of Anthony Botello has brought closer to home the personal tragedies of defending peace and justice. His death has reminded us all of the sacrifice which some are called upon to make while defending peace and freedom. We all owe him a debt of gratitude which can never be repaid.

Corporal Botello joins thousands of Americans who have died in the pursuit and protection of peace and freedom all around the world. He has given his life for his belief in honor and bravery and duty and country. Today, we pay tribute to a young man who embodied the spirit of patriotism and the dedication to principle.

My deepest sympathy is with the family of Anthony Botello. I pray that God will grant His peace and comfort to the family of L. Cpl. Anthony D. Botello.

Mr. NICKLES. I yield the floor.  
The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Georgia.

Mr. NUNN. Mr. President, what is the pending order of the Senate?

The ACTING PRESIDENT pro tempore. The Senate is in morning business. Senators are authorized to speak for up to 10 minutes.

Mr. NUNN. Mr. President, I ask unanimous consent that I may proceed for 20 minutes.

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

HEARINGS ON THE DEPARTMENT OF DEFENSE POLICY EXCLUDING HOMOSEXUALS FROM SERVICE IN THE ARMED FORCES

Mr. NUNN. Mr. President, there has been a crescendo of interest building in recent weeks on the issue of homosexuals serving in the Armed Forces. Current Department of Defense policy prohibits homosexuals from serving in the Armed Forces of the United States.

During the Presidential campaign, President Clinton made it very clear that he intended to change the current policy. So I do not think anyone should be surprised that his administration is currently developing a plan to change this policy.

Contrary to some media reports, I have had the opportunity to discuss this and other important national security issues on several occasions with President Clinton. I have also had the opportunity to discuss these issues with Secretary of Defense Aspin.

I have advised both President Clinton and Secretary Aspin to seek the advice and views, first and foremost, of a broad range of military personnel—the people who would be most directly affected by any change in the current policy on service by homosexuals—before making any final changes.

This is certainly an appropriate issue for the President as Commander in Chief, and Executive orders are well within his constitutional powers. The Constitution, however, also makes it very clear that Congress has the responsibility to deal with matters of this nature affecting the Armed Forces of the United States.

Under article I, section 8 of the Constitution, the Congress has the responsibility to "raise and support armies \* \* \* to provide and maintain a Navy \* \* \* [and] to make rules for the government and regulation of the land and naval forces." It is the responsibility of Congress to ensure that policies of the Defense Department enhance good order and discipline, while providing for fair and equitable personnel policies.

So the question of whether homosexuals should serve in the military is an issue on which Congress and the President share constitutional responsibility. Secretary Aspin has emphasized the need for the Congress and the executive branch to work together on this issue, and I think he is absolutely right in that respect. It is in everyone's interest to see if we can resolve this issue through consensus rather than confrontation. There is time for confrontation later if it cannot be solved by consensus, but perhaps it can.

In recent days, I have heard a number of commentators suggest that the policy of excluding homosexuals from the military dates back to 1982. One of the issues that we will explore in our hearings is the historical development of the current policy. At this time,

however, I would like to provide a brief summary of the historical development because the suggestion that the policy only dates from 1982 is inaccurate and misleading.

Until the post-World War II period, military regulations on administrative separation were drafted in a manner that gave commanders broad discretion to separate service members. During World War II, for example, Army commanders were authorized to separate individuals for "inaptness or undesirable habits or traits of character." This regulation, which formed the basis for the discharge of homosexuals during World War II, did not list any specific traits.

In 1944, the Army in Circular No. 3 endeavored to distinguish between homosexuals who were discharged because they were "not deemed reclaimable" and those who were retained because their conduct was not aggravated by independent offenses. In 1945, a greater emphasis was placed on "reclamation" of homosexual soldiers. If a homosexual soldier was deemed "rehabilitated", the soldier was returned to service.

In 1947, the policy was revised to discharge individuals who had "homosexual tendencies" even if they had not committed homosexual acts. Those who committed homosexual acts were subject to court-martial or administrative discharge, with the character of discharge depending on the nature of the act.

The Uniform Code of Military Justice, enacted in 1950, included consensual sodomy as a criminal offense.

In 1950 the Army adopted a mandatory separation policy, which stated: "True, confirmed, or habitual homosexual personnel, irrespective of sex, will not be permitted to serve in the Army in any capacity and prompt separation of known homosexuals from the Army is mandatory." This policy was somewhat relaxed in 1955, permitting a soldier to be deemed "reclaimable" when they "inadvertently" participated in homosexual acts. This policy was reversed in 1958, when the mandatory separation policy was reinstated.

In 1970, DOD-wide policy was issued, authorizing separation on the basis of homosexual acts and homosexual tendencies. There was no definition of the term "homosexual tendencies." Under the directive, the final decision on separation of an individual soldier was a matter of command discretion rather than mandatory policy.

In the 1970's, there was increasing litigation concerning the procedures and basis for the DOD policies on the separation of homosexuals. The extent to which the authority to retain was exercised is unclear. In several court cases, the Department was asked to provide detailed reasons for not exercising the discretion to retain. This was one of the factors leading to a de-

tailed review of the DOD policy in the late 1970's during President Carter's administration.

As a result of that review, the Department of Defense made two significant changes in policy which were set forth in a memorandum issued by then-Deputy Secretary of Defense Graham Clayton on January 16, 1981. First, the policy was liberalized by eliminating homosexual tendencies as a reason for separation. Second, the mandatory separation policy, which had been used in the 1950's, was reinstated. This policy incorporated without substantive change in DOD Directive 1332.14, which governs enlisted administrative separations, in 1982.

In short, the authority to separate homosexuals has been in effect over a lengthy period of time, although the manner in which this policy has been implemented has varied over the years. The current policy dates from President Carter's administration. There has not been a thorough review of this policy in recent years by either the executive or the legislative branch.

During the Senate's debate last year on the National Defense Authorization Act, I engaged in a colloquy with my friend and colleague Senator METZENBAUM in which I pledged to him that the Armed Services Committee would hold hearings on the military policy in this overall area this year, and this pledge was made long before this current controversy of the last several weeks.

Our hearings on this issue will begin in March, as I announced earlier this week. We will receive testimony from the senior civilian and military leadership of the Department of Defense.

I also believe that we should hear directly from the people who will be most directly affected by any change in the current policy: the men and women serving in the ranks of all the military services. These people have every right, under our system, to be heard in this respect before final action is taken by Congress and, I hope, by the executive branch. We will make every effort to hear from those who support a change in the current policy as well as those who favor retention of the current policy.

These will not be one-sided hearings. We will hear from both sides and both points of view, with particular emphasis on those who now serve in our Armed Forces.

Mr. President, I start from the premise that we should encourage every American to serve his or her country in some capacity. I am a strong supporter, as many of my colleagues know, of national service, and I am delighted that President Clinton is making national service a top priority of his administration. I look forward to seeing and reviewing the administration's proposals on national service in the weeks to come.

Mr. President, I applaud the patriotism of all persons, including homosexuals, who desire to serve our Nation in the military. I have no doubt that homosexuals have served and are today serving in our Armed Forces with distinction, and many times with courage and valor. But I also add that most of them serving today are not openly disclosing that sexual orientation. And I think everyone ought to bear in mind that that is enormously important as we go through this series of hearings and debates.

I also believe that we should give very careful consideration to the advice of our military commanders on this subject. Although we do have a volunteer force, there are still important and clear differences between civilian life and military life. And I also hope that everyone will keep that in mind. We are not talking about civilian life; we are talking about military life and there are fundamental differences that our military people know well but too many times those of us in civilian life do not keep in mind.

Our national security requires that the Armed Forces maintain a high level of good order and discipline. In order to maintain military effectiveness, members of the Armed Forces give up many of the constitutional rights that their civilian counterparts take for granted. The number of constitutional rights military people give up is considerable, and I do not think we stop and think about that very often.

Military personnel are subject to involuntary assignments any place in the world, often on short notice, often to places of grave danger. The requirements of discipline, including adherence to the chain of command, means that their first amendment rights of speech and of association are limited. Young officers do not walk in and tell the colonel what they think every morning; if they bring up their first amendment rights, they usually are not in the military very long.

Military trials and administrative procedures have procedural safeguards, but they are not the same as the rights that apply in a civilian setting. Service members are subject to searches and command inspections in living quarters that would not meet the privacy standards and warrant requirements of the fourth amendment that we take for granted in civilian society.

I would like to know the last time someone in the barracks raised with the first sergeant their rights under the fourth amendment when they come in for an inspection.

Members of the Armed Forces are subject to the involuntary assignment to units, duties, and living quarters that require living and working in close proximity with others under conditions that afford little and often—very often—no privacy whatsoever.

Particularly when military units deploy, living conditions are frequently spartan and primitive, from foxholes to cramped quarters on ships.

In recent years we have made important improvements in the quality of life in the military, and I hope we can continue that trend. We have also made improvements in the rights afforded to service members. But the basic nature of military service, which is preparation for the participation in combat to defend the interests of the United States, means that service members must continue to live in a closely regulated, highly regimented environment, which, as everyone who serves in the military can tell you, does not accord them every constitutional protection that we have as individuals in civil society.

Gen. Colin Powell, Chairman of the Joint Chiefs, has stated that, in view of the unique conditions of military service, active and open homosexuality by members of the Armed Forces would have a very negative effect on military morale and discipline.

Mr. President, I agree with General Powell's assessment. I also believe, however, that the country is changing, the world is changing, and that we all have to be willing to listen to other views, and those views ought to be heard. The Armed Services Committee will be hearing from all points of view. My final judgment on this matter will be affected by the testimony we receive from a wide range of witnesses.

Mr. President, our hearings—and I hope to begin those at some point in March; I cannot pin down a date now because we are going to have to prepare for them and we are going to have to make sure we get knowledgeable people to testify and also have a fairness that is evident to all in our hearings—will explore a large number of issues, including some of the following questions, which I believe people should begin to think about.

I do not pretend to have the answers to these questions, but there are too many people talking on this subject now who have not even thought of the questions, let alone the answers.

First, should the Armed Forces retain the policy of excluding homosexuals from military service?

What is the historical basis for this policy?

What is the basis for the policy in light of contemporary trends in American society? As society changes in this regard, should our military services reflect those changes in society?

What has been the experience of our NATO allies and other nations around the world, not just in terms of the letter of their laws and rules but in the actual practice in their military services on recruiting, retention, promotion, and leadership of military members?

Most importantly, what would be the impact of changing the current policy

on recruiting, retention, morale, discipline as well as military effectiveness?

If the current exclusionary policy is retained, should there be an exception for persons whose record of service would otherwise warrant retention on military duty?

If so, is it possible to draft legally defensible criteria for determining whether the exception should be applied in specific cases?

If such individuals are retained, what restrictions, if any, should be placed on their sexual conduct on base as well as off base?

If the general exclusionary policy is retained, should the armed services eliminate preenlistment questions about homosexuality?

If these questions are eliminated, should the exclusionary policy be limited to those who actually engage in homosexual conduct after entering the service?

If such a policy is adopted, what policy should apply to those who openly declare their homosexuality entering military services? Even if they are not asked any questions, if they volunteer that declaration, what then would their status be?

Before determining whether the policy should be changed, should there first be an effort to determine whether it is possible to draft a practical and legally defensible code of conduct regulating homosexuals in the military setting?

This is something that Secretary Aspin has been talking about in recent days.

Should the military have a single code of conduct that applies to conduct between members of the same sex, as well as members of the opposite sex, or are we going to have separate codes of conduct for each of those groups?

Should there be a limitation on whether a service member may engage in homosexual acts at any location, on or off post, where a heterosexual act would otherwise be appropriate; or only off post?

Should there be restriction on homosexual acts with other military personnel or only with nonmilitary personnel? What restrictions, if any, should be placed on conduct between members of the same sex? Should such restrictions apply in circumstances in which conduct would not be prohibited if engaged in between members of the opposite sex—that is, where such conduct would not constitute any offense under the current procedures and practices and Uniform Code of Military Justice?

Let us say that the conduct does not have any connotations of sexual harassment or fraternization or prohibited displays of affection in uniform, all of which are prohibited.

Take a request to engage in sexual activity, for example: "Let's spend the night together in a motel." What

would we do with that? Is that a violation or not?

What about displays of affection between members of the same sex while they are out of uniform? What about displays of affection that are otherwise permissible while in uniform, such as dancing at a formal event?

These are the questions the military has to answer. Too many times we in the political world send down edicts and do not think about the implications of the things that have to follow. These are questions that have to be thought about and every military commander will tell you that they have to go through each one of these things, probably, plus a lot more.

If the current exclusionary policy is changed, should there be a code of conduct regulating behavior toward homosexuals in the military? What rules, if any, should be adopted to prohibit harassment on the basis of sexual orientation?

What rules, if any, should be adopted to prohibit discrimination on the basis of sexual orientation?

If discrimination is prohibited, how would a nondiscriminatory policy affect pay, benefits, and entitlements?

Should homosexual couples receive the same benefits as legally married couples? For example, nonmilitary spouses now are entitled to housing, medical care, exchange and commissary privileges, and similar benefits. Military spouses also benefit from policies that accommodate marriages, such as joint assignment programs.

If homosexual couples are given such benefits, will they also have to be granted to unmarried heterosexual couples?

If discrimination is prohibited, will this require express guidance in personnel actions—such as in instructions to promotion boards?

If discrimination is prohibited, will there be a related requirement for affirmative action in recruiting, retention, and promotion to compensate for past discrimination?

If discrimination is prohibited, will there be a need for extensive sensitivity training for members of the Armed Forces? Who will carry out this sensitivity training?

Another question, Mr. President, the military currently endeavors to respect sexual privacy by establishing, to the maximum extent practicable, separate living and bathroom arrangements for men and women. If the policy is changed, should separate arrangements also be made for those who are declared homosexuals?

If the policy is changed, what accommodation, if any, should be made to a heterosexual who objects to rooming or sharing bathroom facilities with a homosexual?

These are not frivolous questions, Mr. President. These questions are going to have to be answered at the

platoon level, and the company level, and the squad level, and the barracks level, by every military commander, man and woman, in our military forces today who has any command authority.

If the current exclusionary policy is changed, what are the implications of tolerating homosexual acts among military members in light of the statutory prohibition against homosexual acts under the Uniform Code of Military Justice?

Is it all right to stand up and say, in effect, I have committed a crime under the Code of Military Justice and then have that policy basically say—well, we will not discriminate against you because of that?

What are the legal implications in this case? If the exclusionary policy is changed, do we not also need to go back and examine the laws that relate to the Uniform Code of Military Justice?

If the exclusionary policy is changed but the statutory prohibition remains—in other words if we do not change the law but we just change the policy by Executive order—can the President in the Manual for Courts-Martial specifically exempt from prosecution actions that would not be prohibited under a revised DOD directive?

If so, is there also a need to address heterosexual, consensual sodomy? Does that, too, need to be reviewed?

Regardless of whether the policy is changed, should the President, who has the authority under the Uniform Code of Military Justice to establish maximum punishments, revise the current 5-year maximum punishment for consensual sodomy?

If the current exclusionary policy is changed, what will be the effect on pending court-martial and administrative discharge cases?

If the current exclusionary policy is changed, what will be the effect on the tens of thousands of past cases, particularly in terms of claims for back pay, reinstatement, promotions, and similar forms of relief?

Mr. President, there are other questions that others will think of. These are the ones that have come to my mind just in the last few days. These are difficult and emotional issues but they must be addressed. Every man and woman in this country has a right to be respected. That is the foundation and the heart of our Constitution which enshrines individual rights and liberties. We cherish those rights and liberties. Our Constitution also underscores the essential role of Government in providing for our common defense. When the interests of some individuals bear upon the cohesion and effectiveness of an institution on which our national security depends, we must move very cautiously. This caution, in my view, is prudence, not prejudice.

A thorough airing of these matters is essential before any final action is

taken by the Department of Defense or the Congress. It is my intent that the Armed Services Committee's hearings will provide a comprehensive discussion of these issues by persons knowledgeable in military affairs, personnel management, and human relations.

Mr. President, I know there are a lot of people who would like to propose a law on the floor. And I know there is a real effort underway to have the President sign an Executive order.

I urge that those who want to legislate on this subject one way or the other think through some of these questions before they propose a specific piece of legislation. And I would also urge that the White House, the President, and all of his advisers including my good friend the Secretary of Defense, think through these questions very carefully before they take any kind of action that can be final or could be perceived as final.

This is not an easy issue. It is an issue that all of us need to think through very carefully because it is not simply the rights of homosexuals at stake—although that is a very important consideration. It is also the rights of all of those men and women who serve in the military.

Mr. President, I yield the floor. Several Senators addressed the Chair.

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

Mr. EXON. Mr. President, I ask unanimous consent that I be allowed to proceed in morning business for 5 minutes.

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

#### NO RUSH TO JUDGMENT

Mr. EXON. Mr. President, I hope that not only the Senate but the country as a whole will listen very carefully and study the words just delivered by our chairman of the Armed Services Committee. I have known and worked with SAM NUNN for a long, long time on many issues. He thinks through the issues. He takes suggestions. Then he takes action. He has already said that as chairman of the committee he will be holding hearings on this matter and I believe that the concerns that Chairman NUNN just outlined should be thought about long and hard before we propose any action.

In this regard, I hope maybe we can take some of the sting, some of the emotionalism out of the debate that has suddenly flared in the press.

Unfortunately, with all of the problems that we have in the United States today, with a bloated budget deficit, the skyrocketing national debt, the lagging economy, a country that needs health care reform, obviously—and needs it very badly—a country that needs election campaign reform and many others—unfortunately we have

been deluded on this issue, as important as it is, into an attempt to rush to some kind of judgment without thinking it through.

On November 11 last, when the President, on Veterans Day, made his announcement of what he intended to do, I said at that time I hoped that before the President proposed anything of a specific nature he would have adequate consultation with the military and adequate consultation with the Congress to make sure we were all trying to head in the right direction. I believe that we could interpret what Senator NUNN just said, as I understand his remarks, that he is not, and certainly I am not, against any change in the procedures.

We should realize and we should recognize that just because we have done something one way in the past does not necessarily mean, Mr. President, that that is exactly the way we should do it in the future. We should realize and recognize that there are many people of a homosexual orientation who have served our country very, very well on many occasions over the years.

I guess that I would like, if I might, at this time, to at least help clarify, if I need, my position by asking unanimous consent that an article that appeared in the Omaha World Herald by David Beeder of January 26, yesterday, be printed in the RECORD.

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

[From the Omaha (NE) World Herald, Jan. 26, 1993]

**EXON, KERREY DIFFER ON LIFTING GAY BAN**  
(By David C. Beeder)

WASHINGTON.—Nebraska's two Democratic senators expressed different views Tuesday and President Clinton's plan to lift the armed forces ban on gay personnel.

"I think the president is making a mistake," said Sen. J.J. Exon, D-Neb., second-ranking member of the Senate Armed Services Committee.

"You might be able to do something about this if you do it in a slow and orderly fashion. Exon said. "I am afraid this is the kind of an issue that is going to cause gridlock in the president's first two weeks in office."

Sen. Bob Kerrey, D-Neb., said he agreed with Clinton's plan to lift the ban on gays. "I think the policy change is a good one," he said. "I think ending the ban won't be that traumatic, and the military ought to make it work."

Kerrey, who won a Medal of Honor for combat valor in the Vietnam War, said he would not permit gay personnel in combat.

Exon said the controversy could be eased through a compromise starting with studies aimed at eliminating the requirement that persons joining the armed forces sign a statement saying whether they are homosexual or heterosexual.

"But open gays in the military, flying their flag high, is not going to work," Exon said. "I object to the military being used as the cutting edge of social change."

Rep. Bill Barrett, R-Neb., said that lifting the ban would be defeated by both houses of Congress if it were presented today. "Later on that might change," he said. "I don't see

it happening overnight, and I wouldn't be for it anytime."

Rep. Doug Bereuter, R-Neb., a member of the House Intelligence Committee, also is opposed to lifting the ban.

Bereuter, in letters to constituents who inquire about the ban, said it is wrong to equate the ban with racial segregation that existed in the military until the 1940s.

"With its ultimate requirement being combat operations, it is not surprising that military rules and regulations sometimes infringe upon individual rights to privacy and freedom of action," he said.

"We must be very careful about forcing changes on the armed forces until we are certain those changes do not undermine the most basic and crucial role and mission of at least parts of the military," Bereuter said.

"I intend to work with others in Congress to try to discourage President Clinton from making such a change," he said.

Mr. EXON. Mr. President, I will simply point out that in my remarks, adequately and correctly printed, I said that we "might be able to do something about this if we do it in a slow and orderly fashion. I am afraid this is the kind of an issue that is going to cause gridlock in the President's first 2 weeks in office."

I went on to say that "the controversy could be eased through a compromise starting with studies aimed at eliminating the requirement that persons joining the Armed Forces sign a statement saying whether or not they are a homosexual" or, to put it another way, what their sexual preference is.

"But," I said, "open gays in the military, flying their flag on high," will not work. I object also to using the military to become a cutting edge for social change.

The first responsibility of the military, of course, is the national security interests of the United States. I am trying to put this in perspective. Chairman NUNN did an excellent job, and I wish to associate myself completely with his remarks.

In this regard, I ask unanimous consent to print in the RECORD a story in the same edition of the same newspaper headed "Kansas Guard Chief Opposes Gays in Military."

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

[From the Omaha (NE) World Herald, Jan. 26, 1993]

**KANSAS GUARD CHIEF OPPOSES GAYS IN MILITARY**

TOPEKA, KS.—The Kansas National Guard's top officer says gay members of the Guard have created no problems in Kansas, but he still opposes lifting a ban on homosexuals serving in the armed forces.

Maj. Gen. James F. Rueger, the state's adjutant general, and Monday that the Clinton administration's plan to lift the ban was ill-advised.

"We are part of the military organization, and whatever happens to the regular military happens to us, too. We're all under the same rules," Rueger said.

"Having homosexuals in the National Guard is incompatible with our mission," he added. He said all 54 adjutant generals op-

pose the plan and have informed the administration of their objections.

Rueger acknowledged that homosexuals currently serve in the Kansas Guard, which has about 10,000 men and women.

The force, he said, "probably includes whatever the general percentage of homosexuals that there is in the population, but we have had absolutely no problems related to that in the Kansas Guard."

Gov. Joan Finney, commander in chief of the Kansas Guard, said she will stay out of the dispute.

"For Kansas, it's a matter of following orders, of the chain of command," Gov. Finney said. "When the governors met with President Clinton last week, he told us to just pick up the phone when we think he's doing something ill-advised."

"Well, I haven't called him yet."

Rueger said: "I don't think that it is in the best interest of the military, and you have to remember that in times of need, we become a part of the regular military."

"We aren't just weekend warriors," he said. "There are times, like in Somalia or in Desert Storm, where we are called to duty for long periods of time. Just as homosexuality is not appropriate for the regular Army, it isn't appropriate for the Guard that becomes part of that Army."

Mr. EXON. Mr. President, I will simply quote briefly from that. Headline: "Kansas Guard Chief Opposes Gays in Military." "Topeka, KS (AP)—The Kansas National Guard top officer says gay members of the Guard have created no problems in Kansas, but he still opposes lifting a ban on homosexuals serving in the Armed Forces."

The story goes on: "Rueger acknowledged that homosexuals currently serve in the Kansas Guard, which has about 10,000 men and women. The force," he said, "probably includes whatever the general percentage of homosexuals that there are in the population, but we have had absolutely no problems related to that in the Kansas Guard."

We have to keep things in perspective.

I want to tell the Senate about an experience I had in the service with homosexuals. It was 50 years ago. It was in the South Pacific and suddenly without any advanced notice or anything else, two soldiers under my direction and command were suddenly whisked away. They were good soldiers. They were friends of mine. It was discovered that they were found in a homosexual act. I never saw them again. I thought at the time that that was the right thing to do because I knew what the Military Code of Justice was. But when we are confronting this situation today, as Senator NUNN so well put it, times do change and we have to think ahead.

I think back about that. I worked with these two men in basic training. I was with them in extensive training in the States, and I was with them overseas. To my knowledge, they caused no trouble with me, and I think I would have heard about it because they were under my command. I simply say that

maybe we should open our eyes just a little bit, maybe we should proceed with just a little bit of caution, maybe we should try and walk in other people's shoes from time to time. I am fearful, most of all, Mr. President, that there are forces at work that are using this present situation as a cutting edge of social change in the military, and that concerns me most of all.

I will simply conclude, Mr. President, by saying, allow us to have some hearings; allow us to do some studies; allow us to consult together, Democrats and Republicans; allow us to talk to the Members of the House of Representatives; especially allow us, Mr. President, to consult in detail with not only the military leadership, but also rank and file GI Joe to see how he feels about this because this is an issue that has an explosive nature about it and unless it is handled in a reasonable, thoughtful fashion, I predict that if we rush into something too fast, we could have some very, very serious consequences with our people who are working very hard at home and around the world to protect the national security interests of the United States.

I say I have no closed mind. I simply say let us not rush into it and I believe what my chairman has suggested in his speech to the Senate a few minutes ago. I thank the Chair and yield the floor.

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

#### AN ISSUE OF FUNDAMENTAL FAIRNESS

Mr. METZENBAUM. Mr. President, the issue being debated today is not a new issue. It is an issue that is probably as old as mankind itself. Last year I offered an amendment to overturn the ban on homosexuals serving in the military. In the context of that debate, as the distinguished chairman of the Armed Services Committee has already said, the chairman agreed to hold hearings on the subject this year. I was impressed with his remarks, and I was impressed with the remarks of the Senator from Nebraska because I thought they were objective and dispassionate. I thought they indicated an understanding that this is not an issue that is simply black and white.

I was agreeable to the matter of holding hearings when the chairman of the committee proposed that last year, and I do believe it is appropriate to have hearings.

Mr. President, lifting the ban on homosexuals serving in the military is an issue of fundamental fairness. It is a fact, as the Senator from Nebraska has already pointed out, that homosexual men and women have always served in the military; they served 50 years ago under his command.

I might say parenthetically with respect to his remarks that I thought

about the fact that he said there were two men under his command and they were doing their job well, they were found apparently in a homosexual act and they were whisked away, and he never heard from them again. I sort of stand here and wonder, what happened to those men? They had not really done anything that heinous. It may have been a crime in that particular area, but for them to have been whisked away and the Senator from Nebraska never to have heard from them again—and I do not blame him on that score—but I wonder how many other instances of that kind have occurred with respect to men and women in the military.

Homosexuals have throughout our history shown that they are every bit as capable, hardworking, brave, and patriotic as any other soldier, sailor, marine, whatever. They have been decorated for bravery and heroism. They have died on the battlefields in the service of their country. To deny their contribution to the armed services of this country, to the defense of the people of this Nation is to deny reality, and that is wrong.

It is a fact, Mr. President, that the job performance of homosexuals in the military has been exemplary. I know that to be true because every time a gay man or lesbian is discharged because he or she is a homosexual, his or her service record becomes part of the official investigative process.

In nearly every instance, these individuals have been commended for their work.

Let us take a look at a few of the cases.

Consider the case of Navy Lt. Tracy Thorne, the 25-year-old navigator-bombardier who finished first in his flight training class, received top honors from the Navy, and then was busted out of the service for being gay.

Did he do anything wrong? Did he sexually assault or harass somebody?

No. He merely said he was gay.

Last year, the Army dismissed Col. Margarethe Cammermeyer, one of the finest nurses in the military.

Colonel Cammermeyer served 14 months in Vietnam. She won a Bronze Star. She was named the Veterans Administration's Nurse of the Year in 1985. Her only crime was to acknowledge during an interview that she is a lesbian.

Senior officers insist that the presence of homosexuals impairs the ability of the military services to maintain discipline, good order, and morale.

But Keith Meinhold is a 12-year navy veteran whose colleagues knew he was gay. His commander knew he was gay.

But when he publicly revealed his homosexuality in a TV interview, the Navy discharged him.

Petty Officer Meinhold sued the Navy and won. The Navy failed to prove its case—that he was disruptive to good order and discipline. Now Petty Officer Meinhold is back on the job.

This is important, Mr. President. It shows that in cases involving discharge for reasons of homosexuality, the courts are going to force the military to prove their claims about the effect on order, morale, and discipline. In Meinhold's case, the military could not do it. Those claims were unfounded.

Lieutenant Thorne, Colonel Cammermeyer, and Petty Officer Meinhold are just the most recent casualties of a policy that has destroyed thousands of careers and lives—for no good reason.

I understand that this is an emotional issue—I know that plenty of people just plain object to the idea of permitting gays to serve.

But this is a matter of rightness and decency.

Those who are homosexuals do not make this a matter of choice. They do not say, well, I think today I would like to be a homosexual. It is a matter of something within their bodies, within their brains that causes them to have a different social orientation than the majority of people. But it is not a decision over which they have control. It is simply unfair to slam the door in their faces when so many of them have given their lives, given their lives in the service of their country.

People have called me on the telephone, and up until today the calls were running overwhelmingly against the position of the homosexuals. This morning that changed and there were a large number calling and indicating that they felt there was merit to the position of the homosexuals having the right to serve their country. By around noon, I am told, the calls were about even and that is what the national polls seem to indicate. But the fact is what is right, what is decent, what is the fair thing to do, what is the fair thing to do as far as our military service is concerned. I will come back to the question of the military position in a bit. But we are not talking about condoning inappropriate conduct.

Any servicemember who conducts him or herself inappropriately should be out of the military—whether he or she is homosexual or heterosexual.

I believe this is one of the most misunderstood elements of this issue, Mr. President. No one—not the President—not even the gay community is attempting to legalize or condone homosexual conduct in the military.

Everyone agrees that the job is no place to engage in sexual behavior.

We are only trying to put a stop to the arbitrary ban that is ruining the lives of men and women whose only desire is to serve their country.

If President Truman had knuckled under to the will of the Senate 44 years ago, he never would have issued his famous order integrating the armed services.

On June 7, 1948—just 7 weeks before Truman issued the order, the Senate—

by a vote of 67 to 7—defeated an amendment that would have integrated African-Americans into the armed services of the United States.

In fact, on the same day, the Senate defeated another significant civil rights amendment. It voted down an antilynch law specifically to protect black servicemen.

President Truman knew he was right when he integrated the armed services in 1948.

I salute him for the courageous position he took back then.

And I salute President Clinton for the courageous stand he is taking in behalf of homosexuals today.

Mr. President, when Harry Truman integrated the armed services in 1948, he knew he would catch hell from the military and, indeed, he did.

His top commanders objected passionately. They said that blacks would create disorder and morale problems by their very presence. They said that whites would not serve alongside blacks.

Truman did not believe it. He integrated the military, and our Armed Forces took the lead in welcoming minorities and promoting equal opportunity ever since.

Gen. Colin Powell must understand the significance of President Truman's action. Without it, we wouldn't have this very able, courageous, and decorated soldier serving as Chairman of our Joint Chiefs of staff today.

Every American owes President Truman a debt of gratitude for what he did.

And every American owes a debt of gratitude to every African-American who stood and fought on the battlefields of Korea, Vietnam, Desert Storm, and wherever called upon by his or her commander.

Many of those African-Americans never came back. Others came home wounded, are permanently disabled, and living their lives in veterans hospitals.

And every American owes the same debt of gratitude to the heroes who happened to be homosexuals. They fought, and they were wounded, and, yes, some of them died.

Heroes come from every race, gender, and sexual orientation.

Mr. President, yesterday it was widely reported in the media that calls and letters to Capitol Hill offices where running 80 percent against the President on this issue. And as I previously stated that has turned around; they are running about even today.

Finally, Mr. President, I was struck by what Abe Rosenthal had to say about this issue in his New York Times column today. I think it is worth sharing.

He said the military's argument that gays would cripple morale and discipline is strange given that homosexuals are openly part of American ci-

vilian life. He said American businesses, professions, universities, churches, even Congress manage to maintain order while accepting homosexuals as part of their daily activities.

He said that the military may have greater need for discipline than civilian groups, but its commanders also have a lot more clout in demanding discipline. What matters most in this world is not who you are; it is how you conduct yourself. The overwhelming majority of homosexuals conduct themselves honorably and patriotically. They deserve the opportunity to serve their country.

Members of this body, let me say this to you: These are people who want to serve their Nation; these are people who are serving their Nation, and have been serving their Nation. And suddenly it becomes a cause celebre.

I believe you have to understand, to have the milk of human kindness, the milk of understanding; to understand that these are people whose lifestyle may be different from yours and may be different from mine.

But the fact is, they want to serve their country. If they conduct themselves inappropriately, no one says they should not be thrown out of the military or held to pay an appropriate penalty. But that is not the issue. The issue is whether or not they should be barred from serving their country solely by reason of their sexual orientation.

The chairman of the Armed Services Committee has appropriately raised some very interesting questions. I think those questions deserve to be answered. Other nations of the world answer those questions and live with homosexuals in their military organizations. I believe that the hearing the chairman of the Armed Services Committee had promised me back in September-October should go forward. I think that there ought to be such a hearing.

But I do not think there ought to be any turning back on the part of the President of the United States in his indication during the campaign and since he has become the President that there is an impropriety, an inappropriateness in the ban on homosexuals having an opportunity to serve their country.

Mr. President, I yield the floor.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania [Mr. SPECTER].

Mr. SPECTER. I thank the Chair.

Mr. President, I ask unanimous consent that I may proceed as if in morning business for a period not to exceed 15 minutes.

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

The Senator from Pennsylvania is recognized.

Mr. SPECTER. I thank the Chair.

(The remarks of Mr. SPECTER pertaining to the introduction of S. 245, S. 246, S. 247, and S. 248 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

#### THE NORTH ATLANTIC ASSEMBLY MEETING

Mr. SPECTER. Mr. President, shifting to my final subject which I will address briefly here today, I want to share with my colleagues a presentation which I made at the North Atlantic Assembly meeting in Brugge, Belgium, when I was a part of a Senate delegation shared by then Senator Lloyd Bentsen at the NATO assembly. I made this presentation on November 19, 1992, and I added a prepared text, which was somewhat abbreviated during the presentation because of limitations before the North Atlantic Assembly at that time. But this prepared text does incorporate the essence of the remarks which I made, although not verbatim, as I say, because of limitations of time.

I ask unanimous consent at this time that this text be printed in the RECORD as if read and in full.

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

I appreciate this opportunity to address my colleagues of the North Atlantic Assembly in this historic setting. After only 16 days following a remarkable U.S. Presidential election, I have heard many inquiries about President-Elect Clinton's abilities to govern and what happened to President Bush during the campaign; but in the few minutes allotted to me this morning, I suggest a more relevant question for this Assembly today is: What are the implications of the 1992 U.S. elections on the attitude of the American people on the continuing U.S. contribution to NATO.

With so many issues swirling around in a campaign, it is not as if a special interrogatory had been submitted to a jury on this precise question, but there are valuable inferences to be gleaned.

First, the American people are determined to do something about the \$300 billion annual deficit and the \$4 trillion national debt which has been created, in part, by an annual defense budget approaching \$300 billion a year for more than a decade. The United States deficit takes on special significance when one notes the United Kingdom had a budget surplus for several years in the 1980s with those excess funds being used to reduce the national debt.

Second, the American people were dissatisfied with the Bush Administration's record on domestic affairs compared to the Bush Administration's successes in international affairs. It would be modest to say the Clinton campaign scored heavily with the electorate on arguments that the Bush Administration put too little money into U.S. cities, health care, education, the environment, crime control, and other social programs.

Third, and this is more difficult to articulate and quantify, there is an unease among the American people on U.S./foreign relationships on money matters. That is not to say that the predominant U.S. view would ever return to the isolationist ideology of

the 1930s, but the question posed is: What is fair and equitable?

For example, my Pennsylvania constituents ask many questions about foreign aid to Israel or Greece or Turkey when so many unemployed steel workers have used up their allotment of unemployment compensation.

The U.S. labor unions complain about so-called fastrack procedures on international trade treaties. When a U.S. Senate delegation was asked on November 16, 1992, by EC Commission President Jacques Delors if the U.S. would relinquish our section 301 sanctions if the soybean/oilseed controversy was resolved, some of us thought it not the right time to express the anger of the American people, especially in States like Pennsylvania, over loss of U.S. jobs due to foreign subsidies or dumping or lack of reciprocity on U.S. access to foreign markets.

While not right on the point on the NATO defense issue, these collateral matters color the attitudes of the American people on how much support the U.S. should contribute to NATO.

No one would disagree that the issue of NATO defense against a U.S.S.R. attack is totally different from the debates at the first North Atlantic Assembly meeting I attended in Venice nearly 12 years ago where burden sharing was a key item on the agenda. Not only is there no U.S.S.R., but NATO's associate delegations now include Russia, Ukraine and Belarus. On Monday morning, former U.S. Assistant Secretary of Defense Richard Perle posed a question which is being repeated by many Americans: With the demise of the U.S.S.R. threat, what is the current mission of NATO.

In 1990, the U.S. had 314,200 troops in Europe. The Bush Administration current plan calls for 175,000 by September 30, 1993, and 150,000 by September 30, 1995. The National Defense Authorization Act, passed by Congress last year and signed by the President, restricted U.S. European troop strength to 100,000 by September 30, 1996. While President Bush signed that Act, he stated in his signing document that he would "construe these provisions consistent with \*\*\* my constitutional responsibilities." Similar language is used whenever there is doubt about the relative constitutional authority of Congress or the President, but it is likely that the debate will be over a figure lower than 100,000 troops by 1996.

So, my colleagues, I suggest the North Atlantic Assembly focus on certain key questions which I know the U.S. Congress will be examining: (1) What credible military threat is there, if any, to Western Europe from the former U.S.S.R., or is there another NATO mission? (2) On the question of burden sharing, to what extent, if at all, should U.S. funding be allocated to NATO in the face of the U.S. deficit and the other demands on the U.S. budget.

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

I note the absence of any Senator seeking recognition, so I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

#### TRIBUTE TO L. CPL. ANTHONY BOTELLO

Mr. BOREN. Mr. President, I share with my colleagues the very sad news of the untimely death of L. Cpl. Anthony Botello, U.S. Marine Corps. Lance Corporal Botello is a citizen of the State of Oklahoma, from Wilburton, OK. He was killed on the 25th of January while on duty in Somalia when he was struck by a bullet fired by a faceless sniper.

We are very proud in our State of the service of Lance Corporal Botello and those who are serving with him in Somalia.

On behalf of the people of my State—and I am sure the people of the Nation—I extend to his wife Sharla, to his mother Caroline, our heartfelt sympathy.

A few weeks ago—in fact, only 3 days after the Marines had taken up their stations in Somalia—I visited that country, which is undergoing such tragedy; and while there, I had an opportunity to see firsthand the young men and women of the U.S. State Marine Corps and other services who are representing our country there on a humanitarian mission of feeding hungry people and the dangerous mission of trying to restore order.

I have never been more impressed by the courage and patriotism of any group of young people than I was by those brave young Americans serving in Somalia. The conditions were extremely difficult. Very often, it was impossible to sort out those who were friendly from those who might constitute a threat to our troops. Yet, they served without complaint, and they served with great courage, and they served with great personal commitment to that humanitarian mission of helping people in need.

Lance Corporal Botello was one of those who served so courageously and so well. He had just celebrated his 21st birthday less than 2 months before his untimely death. He will be missed by his family and his friends. His death leaves behind a place that cannot be filled. It also challenges all of us to remember the sacrifices that are constantly being made for this country, for our values and for our democratic process.

The life and death and sacrifice of L. Cpl. Anthony Botello of Wilburton, OK, challenges all of us here, and all of us across our country, to do all that we can to make America the best place that it can possibly be. In this way, we can truly honor his memory.

The PRESIDING OFFICER (Mr. LIEBERMAN). The Senator from Oklahoma is recognized.

Mr. BOREN. I thank the Chair. (The remarks of Mr. BOREN, Mr. SIMON, and Mr. REID pertaining to the introduction of S. 233 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. KERRY. Mr. President, what is the order of business?

The PRESIDING OFFICER. The Senate is conducting morning business. Senators may speak therein for up to 10 minutes.

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

The PRESIDING OFFICER. Without objection, it is so ordered. The Chair recognizes the Senator from Massachusetts [Mr. KERRY].

#### GAYS IN THE MILITARY

Mr. KERRY. Mr. President, over the last 24 hours, there has been a fair amount of discussion in the national media and here on the floor on the issue of the President's possible Executive order lifting the ban on gays in the military.

I am sure that there is unanimity in the U.S. Senate that the first order of priority for the Senate right now and for the country is to be talking about the economic priorities of the Nation. I am confident that every one of us would agree that there are a multitude of issues facing our country that are more urgent than the question of whether or not gays and lesbians ought to be allowed to serve openly in the Armed Forces of the United States. But the issue is here. It is being debated in households across the country. It is certainly of paramount interest within the military itself, and we are going to have to confront this issue over the course of the next months.

I was pleased that the chairman of the Armed Services Committee, Senator NUNN, has pledged to hold hearings and to go through a process where we can educate and analyze, and do so, hopefully, without the sense of panic or hysteria that seems to be attaching itself to much of the debate. But whether we delay for the hearings or whether the President decides to go ahead now with an Executive order, the issue is here and I do not think any of us should shrink from debating the issue and ultimately from voting on it.

I do hope, though, that we are going to do so in all of our discussions without losing sight of one of the great goals of the campaign, expressed on all sides, which was to heal the country, to get over the divisions that have kept us from really moving forward and addressing some of the most seriously felt needs of our Nation. I hope that this debate will, in fact, seek to heal and not exacerbate the divisions of the country.

I approach this issue with considerable sensitivity to both sides of the argument, having served in the Armed Forces for 4 years on active duty and having seen combat and having tried to give fair consideration and thought both to the objections and reservations as well as to the strong arguments we

have heard about why we ought to move forward.

So let me begin with as clear an articulation as I can make of what I think is the issue.

The issue of discrimination against gays in the military is not before us and is not important because the President made a pledge during the election campaign. It is not important because of who promised to consult whom prior to taking action, although clearly, consultation and education are needed. It is not important because of what it says or does not say about a particular lifestyle. It is important because it involves a fundamental question of right versus wrong.

The President is not seeking to endorse a lifestyle or to embrace an agenda of social change with which many in the country might disagree. The President is seeking to lead, as he ought to lead, in ending discrimination, in keeping full faith in this country between the American people, its elected leadership, and the constitutional promises of this Nation. That is what this issue is.

Mr. President, when you stop and analyze this issue, after you say, all right, I concede there may be problems, there are perceptions that we have to get over, there are years and years of inculcated tradition and of belief around which the current military is built. We all know that. That is true. That does present us with a certain set of problems.

But against that you have to measure what those problems really represent once you have acknowledged them: Why is there a problem? There is a problem because many people view gays with scorn or derision or fear. There is a problem because when people look at gays or lesbians, they find a lifestyle which they may abhor, cannot understand, do not want to understand, and believe they should not have to understand, and so do not.

The result is that we find ourselves put in the position of either embracing or rejecting what is a fundamental form of discrimination—a dislike of someone or something else because it does not conform to our sense of how we want to be or how we think everybody ought to be.

That is not what this country is supposed to be about. Whether it is a matter of skin color or religion, that is not who we are. And it is also not who we are with respect to matters of sexual preference.

Now, I am not going to spend a lot of time going into or discussing why someone is or is not gay. I am no expert on that. I can only suggest that the vast majority of people to whom I have talked who are gay do not view it as a matter of choice. They are born with that choice already part of their constitution. And for many, there is a lifetime of agony in trying to face up

to the realities of who they are as a human being, as a person. And those agonies can drive some to suicide. They drive some to live a life of lies and running away. Others embrace it more readily and more capably.

We are supposed to be a society that does not drive people to run away from themselves or from their history or who they are. We are supposed to be a society which allows human beings to live to the fullest capacity of who they may want to be or who they are, defined by themselves, as long as they do not break the law, break the rules, intrude on other people.

Now, that is conduct, and conduct is what should matter in making judgments about what should or should not be allowed within the military. Status, the actual fact of being gay, and only being gay without attendant conduct that might offend somebody, cannot be sufficient in the United States of America to disallow somebody the choice, if they are qualified in every other regard, of serving their Nation.

Now, if we were to adopt a policy in this country that were to codify discrimination of this form, I think we would turn our backs on a number of different things, Mr. President, not the least of which is reality. Is there anyone in the Senate, or in this country, or in the Pentagon particularly, who believes that none of the 58,000 heroes listed on the wall in front of the Lincoln Memorial was gay? I have never heard anybody, nor do I believe anybody could, make that assertion. Is there anyone who believes that there are not hundreds, perhaps even thousands of individuals who were gay who are buried beneath the white crosses at Arlington?

Is there anyone who does not believe that there are thousands of gays and lesbians in the military at this minute? Eleven thousand of them over the last few years have admitted it, voluntarily or not and they were drummed out.

We can be assured that there are surely thousands more who are scared to admit, who are forced by our policy to live a lie. They go about their business. They defend their country. They defend our freedoms. They defend the Constitution because they believe in what we, as a nation, stand for.

The question is not whether we should have gays in the military, because we have gays in the military. Gays have fought in the Revolution, in the Civil War, in both World Wars, in Korea, in Vietnam, in the Persian Gulf, and they fought, Mr. President, and they died not as gays or lesbians, but as Americans.

So the question is whether we as a country should continue to treat a whole group of people as second-class citizens? Is it appropriate to codify a lie, to pretend that there are no gays in the military? Is it right to continue a policy that says to this group of Amer-

icans you are somehow not part of America, not entitled to help defend America, not someone whom we are willing to openly associate with in the military, even though every day in the workplace, every day in schools and colleges across America, we have learned to live and work together?

Mr. President, to codify discrimination in the military alone is not worthy of America. These are people who want to serve our country. They want to risk their lives and we respond instead by treating them like criminals, requiring them to hide from the fundamental part of their own identities not asked for but God given, forcing them into lives of secrecy and needless and senseless fear.

It is this simple, Mr. President. Lifting the ban on gays in the military is simply one of those things that we have to do if we are going to continue to make progress toward becoming a more just and honorable society, not because we embrace or like the life style, but because that is the right thing to do in a diverse, pluralistic society. To do less would be to institutionalize and legitimize homophobia. It would be to separate our Armed Forces in an artificial and false way from the very Nation that they are charged with defending. To do less would be to abandon tolerance, and to ratify intolerance as a guiding principle of national policy. It would be to be forever unfaithful, literally semper infidelis, to what this country is all about.

Lifting the ban on gays, I will admit, is going to make a lot of people uncomfortable. I think we have to be honest about this. There is not any question, based on my military experience, from the entire psychology of the military experience itself, to the training, to the culture, that there are going to be difficulties. And, therefore, the President and all of us ought to listen carefully and be sensitive to how we educate and how we deal with getting over those difficulties.

There are folks inside and outside the military who, as I said earlier, view gay people, men and women, with either scorn, pity, fear, or bewilderment. There are legitimate issues of privacy and cohesiveness that need to be thought out and need to be talked about. Change is difficult. There will have to be adjustments and willingness to give and to take on all sides. There may even be, I would suggest, some kinds of special duty or missions that may require exceptions to general rules.

We must remember that, in many ways, the military is already an institution that discriminates in ways that we allow because of the nature of missions, either by height, weight, size, or dexterity. There are countless different things that people can or cannot do within the context of the military. But it seems to me that the fundamental

principle is clear. There is a place somewhere within the Armed Forces for every qualified American, and no American should be disqualified on the basis of race, creed, sex, orientation, or other things that we protect under the antidiscrimination laws of the Nation.

I think we should also not forget that the very same arguments that we are hearing with respect to someone who is gay are the arguments that we heard with respect to the military during the time of desegregation. We heard them for decades previously. The same rationales we used to bar African-Americans from full participation in the armed services until President Harry Truman summoned the courage and withstood the political heat, are the same arguments we hear today.

At that time, blacks within the military were segregated, given lousy duty, put in separate units, given separate assignments, and left to fight, die, and sacrifice alone. Serious arguments were made at that time that desegregating the military would destroy morale and reduce military effectiveness. We were told that people did not want to share barracks with black soldiers, they did not want to share the showers with black soldiers, they did not want to share a foxhole with a black soldier. We were told that forced integration might destroy the military.

Guess what? The military today, perhaps more than any other institution in our country, is a demonstration of what Americans from diverse backgrounds can accomplish precisely when they forget skin color and religious and ethnic differences and concentrate on getting an important job done. That same kind of healing process could occur with the proper leadership and the proper effort if we let it, with all others in the military, too.

I understand and I agree that it does matter that people are uncomfortable with the idea of gays in the military. But I say idea because the reality already exists. And it is the idea of individuals who have admitted their sexual orientation that gives people trouble. We cannot ignore that.

The Joint Chiefs of Staff have a right to be concerned about how to implement it. But I submit for the remedy we should turn not to capitulation; we should turn to education. We should turn to the same kind of effort that we employed when we desegregated the military.

The discomfort underscores that we have to go forward with care. It means that President Clinton is right to be sitting down with the Joint Chiefs, and he is right to be discussing this issue with General Powell and others. It means that we may have to go somewhat slowly in implementing the policy. But the bottom line is, we cannot run a military by catering to the insecurities and fears of some of its personnel.

We need to demonstrate from the Commander in Chief on down that we are willing to make a commitment to what is right, to explain clearly why it is right, and to stand by that decision no matter what the short-term political consequences may be. That is how we win respect as people, and that is how we win respect as a nation, and that is how we accomplish change. That is how we can move this country forward, and ultimately how we will bring all of us closer together and end the fear and threat of discrimination in this country.

Mr. President, we have to remember that when it comes to military discipline what counts is what people do, not who people are. Some of the arguments in favor of the current policy imply that the day the ban is lifted all restraints on behavior will somehow go out the window. I submit that that is nonsense. Lifting the ban does not give anyone, and should not give anyone—I hope the process of articulation as we go through these next months will make it clear—it gives no one the license to act in a way that would either be unprofessional or disruptive. And clearly sexual misconduct, harassment, or other disruptive behavior, whether it is heterosexual or homosexual would not be tolerated. All rules would and should be enforced.

I listened to my colleague from Georgia ask a lot of questions about how these relationships would play out. They are legitimate questions. But I would submit there are also legitimate answers to these questions. No one is seeking to force upon the military a special code of social change that is somehow a part of the larger agenda of social change in the country. No one is saying that there should be a life-style transition as a consequence of this. This is merely an effort to enable people to not be discriminated against because of who they are.

But those people would be required to adhere to the same code of conduct, same standards of behavior, and indeed, might even help strengthen some of those standards and understandings with respect to the rest of the military service. Whatever standards of military discipline are in place today, they can remain. Only the double standards would go. Conduct, not status, would determine eligibility for military service.

Now some say, well, we cannot have an effective military service if we allow gay people to serve openly in the Armed Forces. I ask, why not? Other countries have proven that they can do it. Israel is renowned for the strength and effectiveness of its Armed Forces but does not discriminate. Most of the European armies do not discriminate. Americans train with NATO forces from countries that do not discriminate. I wonder whether we are so timid or so driven by insecurity and intoler-

ance, and even so immature as a society that we cannot function in the presence of individuals different in some respect from ourselves.

Mr. President, the General Accounting Office reported last year that the Defense Department spends \$27 million a year training, discharging, and replacing gay and lesbian service members. Who are these people that we have so blithely cast aside? I am told some of them are individuals who told the military before the Persian Gulf war that they were gay, but they were nevertheless ordered to the gulf to help fight the war, and then subjected to discharge proceedings only upon their return, suggesting that they were good enough to serve in time of war, but not good enough to serve in time of peace.

Many of the 11,000 men and women who have been cashiered from the military for being gay have long since proven their value to service and country. Many won medals for bravery. Many were well-regarded officers and highly skilled pilots. Nobody has been able to make the case that they are, as a class or group of people less courageous, less loyal, less patriotic, less worthy to serve our Nation. I think that the discharge of these people has been an immense waste of our talent, resources, and our time.

Mr. President, there was a political cartoon not long ago that showed a starving Somali woman clutching her two stick-thin babies, being approached by an American marine bearing a gift of food. In the cartoon, the woman tells the marine: "Hold it right there. Before you take another step, tell me, are you gay?"

Mr. President, we must not allow the exaggerated fears that this issue has generated to divert our attention from the need to maintain a strong and a versatile military force, nor from the long list of domestic priorities which have to be addressed, and I might add addressed soon.

The fact is that there has been a lot more commotion about this controversy than the substance of it truly warrants. Trust me, if the ban on gays were lifted tomorrow, and it will not necessary be, I suspect, but if it were, the Sun is still going to come up, our aircraft carriers will remain afloat, and we will continue to have the force and presence that we now have around the world. The difference is that we would be conducting ourselves in a way that does not defy the very principles that we try to put into place in a host of other walks of our society, and that is at the center of our Constitution, and at the center of the service of so many who have preceded us, who have died in uniform so that others will not be discriminated against.

I hope that over the course of the next months we will think carefully and quietly and sensibly about this issue. That we will examine the reali-

ties of it and we will not allow ourselves to be stampeded, not allow ourselves to be cowed, not allow ourselves to be pushed away from what is right.

The President of the United States is showing what I think the American people have asked for. It is called leadership. It is not always popular. It is hard to be ahead of some of the country with respect to perceptions or feelings, but that does not mean he is wrong. On this issue, I believe the President is trying to do what Presidents before him have tried to do. What our Constitution tries to do, what our forefathers tried to do: Create a country in which people can live without being cast aside because of who they might be or how they were born.

#### HEALTH CARE REFORM

Mr. COHEN. Mr. President, I was pleased to hear that President Clinton has asked his wife, the first lady, to head up a task force on health care reform, which I believe is, next to the economy, or I should say, integral to the economy, the most critical issue facing the 103d Congress.

Some of the criticism being directed at her is that she is not an expert. Few of us are experts in this field. We become more expert by engrossing ourselves in the study of the issues and various proposals for reform. But she is a very talented attorney and has had experience in the legislative process, and I believe that she will make an enormous contribution to bringing together the various points of view and diverse proposals, and there are many, for reform.

The Senate majority leader has a proposal. The Republican task force has another proposal. The Conservative Democratic Forum has a proposal. There are lots of proposals. I believe that we can pull these various proposals together to find a common ground and arrive at a consensus on a comprehensive overhaul plan which will, in fact, extend coverage to the broadest possible spectrum of the American people at the lowest possible cost while ensuring the best quality that we can.

The health care reform legislation that I am introducing today provides a basis or blueprint for that reform. I hope that not only will the Clinton administration look seriously at this proposal but that my colleagues will see merit in cosponsoring it.

Mr. President, I think all of us agree that we are spending too much, that we are not spending wisely and that too many people do not have access to the health care that they need. The challenge is to design a plan which controls the high cost of medical care and expands access to care without compromising quality.

Our goals are clear: Coverage for all Americans to the extent that we can do so; hold down costs and maintain qual-

ity. That is the challenge. Whether we can meet that challenge is the question. How well we meet it will be a key index by which the public measures our success or failure as a Congress.

The statistics on rising health care costs are staggering. The Commerce Department reported last week that health care costs climbed to almost \$840 billion last year, a record 14 percent of the gross national product. Total health care costs which were earlier expected to top the trillion dollar mark by the turn of the century now appear likely to hit that level as early as next year.

Today's Washington Post reported that, according to CBO, Federal health care costs are going to double in 6 years. Medicare, on which we spend \$129 billion, will go up to \$259 billion and Medicaid will go from \$68 billion to \$146 billion, all in a short period of 6 years.

Clearly, this growth in cost cannot be sustained. Family, employers, and even governments are staggering under their weight. As health care spending consumes a larger and larger share of the economy, fewer and fewer dollars are going to be left for critical services such as education, transportation, housing, and for reduction of the national debt.

The problem is not simply that we are spending too much, but that we are not getting an adequate return on our investment. Too many dollars are being spent on procedures of arguable or negligible value. Too few are being spent on primary and preventive services such as prenatal care, mammograms, and childhood immunizations.

Rising health care costs have also created a dual system of care. The American health care system is the best in the world but only for those who can afford it.

At the same time that spending is soaring, more and more people are being priced out of the market. As many as 37 million Americans, alarmingly almost a third of them children, have no health insurance at all. Many more Americans are uninsured and would be sent into bankruptcy by a serious illness. Even more live in terror that they are going to lose their coverage if they change their jobs or become ill.

The legislation I am introducing today, the Access to Affordable Health Care Act of 1993, builds upon my earlier efforts to reform the health care system and incorporates some new elements which will make fundamental structural changes in the health care market to assure every American has access to affordable quality health care.

Our Nation's skyrocketing health care costs and access problems are in large part driven by flaws in the health care marketplace. It is ironic, but the very people who need care most are the

ones who cannot get insurance. Rather than competing to deliver the best value for money, our Nation's insurance companies are simply doing everything they can to avoid risk. They offer great deals to large companies with young, healthy employees, but they completely exclude anyone with a known health problem. In other words, the people who benefit most from our current system are the people who are least likely to need it.

Insurance companies must stop focusing on how to exclude sick people from coverage and start concentrating on how to make affordable coverage available for all Americans.

Just as the health care market excludes millions of vulnerable Americans leaving them fully exposed to the risk of potentially catastrophic health care costs, it is also flawed in that it insulates hospitals, doctors, and people with good insurance from the true costs of health care.

When health care bills are paid by a faceless third party, be it an insurance company or the Federal or State government, market forces have no chance to work. Neither the health care provider nor the patient has any incentive to hold prices down. Doctors ordering tests and performing other services pay little attention to the cost if they assume an insurance company is going to pay the bill. For patients with benefit-rich, first dollar coverage, cost is simply not an object. They carry the equivalent of tax-free, unlimited expense accounts and they are encouraged to order freely from a full menu of health care services, leading to overutilization of services which drives up health care costs.

The exclusion of employer-provided health benefits from taxable income which, by the way, is costing an estimated \$75 to \$85 billion a year, further distorts decisionmaking in the health care marketplace. Since they receive open-ended Federal tax subsidies and since most are given no meaningful choice between health care plans, workers with employer-provided benefits lack any incentive or the opportunity to comparison shop for better value for their health care dollar.

We have seen how competition has brought down procurement costs in the Defense Department. The legislation I am introducing today relies upon the same principle to restructure the health care marketplace in order to contain costs and expand access to care.

Mr. President, I am not going to take the time that I had originally requested to explain in detail the basic ingredients and provisions of this particular piece of legislation. Let me summarize by saying that, when President Clinton gave his inaugural speech, he talked about opportunity and responsibility. We want to provide the opportunity for every American to be

covered by health insurance. We also want to insist that people start to bear responsibility for making decisions about their health, and that includes giving them the opportunity to shop for the best possible buy at the best price; best product, best price.

It also means taking better care of ourselves. It means adopting wellness programs because all of us know that we eat too much, we drink too much, we smoke too much, we do not exercise enough, and then we get sick and complain about the high cost of getting well again. We have to develop healthy habits and behaviors at the very earliest stages of our lives and maintain them throughout our lives. That is one sure way to reduce the burden we are now placing on our health care system.

#### J. ALLEN FREAR

Mr. BIDEN. Mr. President, the January 15 death of former U.S. Senator J. Allen Frear of Delaware closed a distinguished chapter in the history of my State and, I believe, marked the end of an era in American life.

Senator Frear, who would have been 90 years old in March, was born on a farm in Kent County, DE, and began his education in a one-room rural school his grandfather had helped to found.

Following his graduation from high school, he attended the University of Delaware, returning to life on the farm after his graduation in 1924.

In the ordinary course of events, J. Allen Frear might well have lived out the remainder of his long life as a respected and public-spirited farmer and rural businessman.

A veteran of Army service in Europe during World War II, he was well thought of among Delawareans, but he was not an ambitious politician in the usual sense of the word.

In fact, when he was nominated in 1948 to run against a very popular Republican ex-Governor, Delaware's next U.S. Senator was not even in the State; word of his nomination had to be sent to him where he was traveling in Utah.

He won that election and another for a second term in 1954, and his public service did not end when he left the Senate in 1960.

Before returning to Delaware, he served a term on the Federal Securities and Exchange Commission.

Back home, as he resumed an active and productive business life, Senator Frear continued to serve the State he loved throughout his nearly 90 years.

He was a member of the board of trustees of the University of Delaware from 1950 until his death.

He served on the Delaware Old Age Welfare Commission, he was president of the Baltimore Federal Land Bank and Kent General Hospital, and he was secretary of Delaware State College.

Few in the history of any State have done more for their fellow citizens.

Mr. President, J. Allen Frear's passing is much regretted by his fellow Delawareans, by his former colleagues in this body, and by his many friends all over the country; and it is true, I believe, that his death marks the end of an era in our national life.

We are not likely to hear a story such as his again, the story of a Delaware farm boy rising from a small, one-room rural school to service in this distinguished body and on the Securities and Exchange Commission.

Many of us, many Americans, will also regret the end of an era when it was possible for such a classic American story to come true.

But to the end of his long days, J. Allen Frear never looked back, never lost touch with the changing world around him. He believed in Delaware, he believed in America, and he believed in the future.

That is the true end of his story, and for what his example teaches us, even as we mourn his passing, we should celebrate the continuing lesson of his life.

#### HONORING NELSON T. "PETE" SHIELDS III

Mr. BIDEN. Mr. President, on January 25, our Nation lost one of its outstanding citizen-leaders, when Nelson "Pete" Shields died of cancer at his home in Delaware, a day before his 69th birthday.

Pete Shields was one of those rare individuals whose life was a mirror of his convictions, and whose legacy will continue to inspire public action for many years to come.

In 1974, when Pete arguably was just reaching the peak of a successful, 25-year business career with the Du Pont Co., he and his wife, Jeanne, were struck with the deepest kind of personal tragedy and loss; their 23-year-old son was murdered.

It was the kind of tragedy that, understandably, would have debilitated many people, and drained from their lives any inspiration or energy or even capacity to look outward.

But Pete Shields did look, and he saw that the shadow of violence that had taken his son's life was a darkness that afflicted our entire society, and Pete Shields went to work.

He left behind that prestigious, stable business career for the contentious and often controversial world of public advocacy, assuming leadership of the National Council to Control Handguns, now called Handgun Control, Inc.

In 1983, Pete found the Center to Prevent Handgun Violence, an organization involved in education, research and legal programs, and he served as its chairman until 1991.

To those who shared his views on handgun policy, Pete was an unparalleled organizer and spokesman.

To those who disagreed with him, he was an equally formidable voice to be reckoned with.

To all of us, Pete Shields was a true leader who, with passionate commitment and unwavering determination, greatly enriched our national debate on some of the most crucial questions involved in the fight to turn back the tide of violence in America.

I worked with Pete on anticrime legislation ranging from a ban on so-called cop killer bullets to the ongoing fight to institute a national waiting period for the purchase of handguns, the Brady bill.

My one regret in the history of our shared efforts is that Pete could not live long enough to see the Brady bill enacted, but when it is passed and signed into law, as I believe it will be, let no one doubt that a large portion of the credit will belong to Pete and his organization.

In the effort to reduce violent crime involving handguns, Pete Shields' tangible accomplishments were many, and his less tangible impact was immeasurable.

In the course of acting effectively upon his convictions, Pete set an example for every citizen who might feel helpless and hopeless amid the great whirlpool of society's problems.

In the course of drawing the strength to act from a personal loss of unimaginable depth, Pete set an example for every person of the power of the human spirit—not only to endure life's bitterest blows, but to fight back, and to make a difference.

With the people of my State, who knew Pete as a neighbor and friend; with Jim Brady and Sarah Brady, who succeeded Pete as Chair of Handgun Control, Inc., and all who worked with them; and with my colleagues, who—whether his allies or his opponents on the issues—stand united in admiration for Pete's passionate conviction, I extend our deep sympathies to his wife, Jeanne, and to the entire Shields family.

Their support for Pete's work, too, involved personal sacrifice toward a public goal, and we thank them.

#### VIETNAM'S PROMISE 20 YEARS AGO TODAY REMAINS UNFULFILLED

Mr. SMITH. Mr. President, I rise today as the former vice chairman of the Senate Select Committee on POW/MIA Affairs to call attention to our recent report which we filed with the Senate following a year long investigation. Some Americans may not recall that today, January 27, 1993, is the 20th anniversary of the signing of the Paris peace accords with North Vietnam. The accords were intended to mark the end of United States military involvement in Vietnam and to ensure the return of our POW's and a fullest possible accounting for the missing. Twenty years later we still have not achieved the fullest possible accounting of our captured and missing personnel.

It is, therefore, an appropriate day for me to briefly discuss some of our work and findings which are reflected in the final report of the Select Committee on POW/MIA Affairs.

Let me begin by thanking the staff, who—in the closing days of this investigation have really been tough people staying up all night until the wee hours of the morning trying to get documents typed and accommodating the views of Senators.

There have been some difficult times throughout the course of this investigation, and I want to single out two Members of the opposition party, who in extremely difficult times, did seek me out and talk to me. One is HARRY REID and the other is TOM DASCHLE who sat next to me throughout the hearings. I appreciate their advice during the more challenging and trying moments in our investigation.

And of course, to the chairman—JOHN KERRY and I were thrown together by the discretion of our leaders. We did not know each other, and we took the time to try to get to know each other. And the interesting thing is when things got very difficult, and many times they did, we turned to each other, not against each other. Have we had differences, yes, we have. The American people have had differences.

But when it came down to getting a report written, nobody threatened to walk out. We extended our hands to each other and we shook hands and we were able to do it. And Senator KERRY deserves a tremendous amount of credit for the fact that we were able to come to this agreement that we have today.

Is every single thing in the report what I would have written myself? Of course not. But where there were differences, I had the opportunity to express those differences in the report. You cannot be any fairer than that. And I commend the chairman for his strong leadership in getting us to this point.

This investigation was bipartisan, indeed nonpartisan, throughout the last year. Members did not sit at one side or another at the hearings depending on their party affiliation. There was absolutely not one word uttered of partisanship throughout the hearings, public and private. The private conversations, informal procedures, I never heard a word of partisan debate on the central issues in our investigation.

Our work represents the most comprehensive investigation that was ever done in the history of this issue, and hopefully that will be our legacy. In fact, we started by reviewing other investigations that have been done in the past, and we built upon those.

Our goal was to know what our own Government knew, and to get that out to the American people. We did not and

could not expect to get all of the answers from the Vietnamese or the Lao or any other government. But we could expect to get information from our Government, and I believe we've done that to the greatest extent possible during the last year.

Hearing records, depositions, Government documents, extensive declassification—that is our legacy. The President of the United States, George Bush, and especially Brent Scowcroft, Dick Cheney, and Robert Gates were extremely cooperative. They went out of their way to make documents available to us that had never before been seen by Members of Congress.

Did we see everything? Was it complete? We certainly believe the review of materials was extensive, although there will always be doubt on whether we saw everything that was truly pertinent to resolving our questions.

Americans can take pride in the fact that this issue has now been opened to scrutiny, more so than at any time in the last 40 years. We did not close the books. We opened the books.

This committee was formed because there was distrust. We tried to allay that distrust by getting the books opened. The issue has been an emotional and a contentious one for the past 20 years in Vietnam, and longer than that in Korea and the cold war. It has been contentious and emotional for veterans and families, and it was contentious and emotional for the committee members as well.

I would like to briefly lay out some of my own personal observations and recommendations in addition to key findings by the committee as a whole in the final report:

#### 1. PARIS PEACE ACCORDS

We are here today because Vietnam and Laos did not fully comply with the Paris accords and the Laos Cease-Fire Agreement in 1973. That is the primary reason we are here. If they had complied fully, I think the issue would have been resolved, and we would not be here 20 years later. We are also here today because in 1973, Americans had become weary with the war, there were antiwar protests, Congress voted to cut off funds and it did not support legislation such as the Dole amendment. We are also here today because by March 1973, Watergate was consuming the attention of the President. In this framework, I am convinced Dr. Kissinger tried his best to negotiate an agreement and implement accords with an intransigent enemy who exploited the American political situation. And they did it well.

So, in this environment, did we get a full accounting? The answer is "no." But there is no doubt that everyone is united today in demanding the fullest possible accounting from Vietnam and Laos.

#### 2. STATE OF THE EVIDENCE ON POW'S IN SOUTHEAST ASIA

This was the most contentious area of the investigation. We knew it would be contentious, so we tried to conduct the most thorough examination of the intelligence ever done to see if consensus could be reached on the question of evidence of live POW's after 1973. Staff investigators worked thousands of man hours investigating every single available lead that we could find. For the most part, we were successful in pursuing the majority of leads. The exceptions are noted in the report.

Based on our review of all available intelligence information, the committee unanimously agreed that there is evidence that indicates the possibility of survival—of American POW's—after Operation Homecoming. As of today, we also agree that there is evidence that some POW's may have survived to the present and some information still remains to be investigated. However, at this time, there is no compelling evidence that proves Americans are still alive.

In the final report, readers will note that there is a majority and minority view on the state of some of the evidence which the committee explored—mainly the live-sighting reports analyzed by our investigators using basic techniques such as plotting relevant sightings on a map to look for patterns and clusters. These reports and the analysis by committee staff will be available for the public at the National Archives.

The essence of the majority view on this portion of the investigation is that the committee staff analysis indicates to me and to Senator GRASSLEY a strong possibility that some American POW's could still be alive. I would also stress that my conclusion on the intelligence is based on all-source information, to include signals intelligence, imagery, and the live-sighting/hearsay reports.

I also agree with Senator GRASSLEY that in the case of one possible symbol which corresponds to a known MIA's authenticator number, the benefit of doubt should go in favor of the individual. This case is especially disturbing in view of the fact that the possible symbol is located only 400 feet from a secure detention facility in northern Vietnam. The committee has therefore recommended that the Vietnamese be approached immediately and forcefully by the United States Government at the highest levels to ascertain the status of the missing pilot potentially associated with the 1992 symbol.

Finally, concerning these and other intelligence reports which have not yet been fully investigated in Vietnam or Laos, the question we were faced with as Members is, "What do you believe?" It is my judgment that many of the live-sighting reports of Americans in captivity are compelling and appear

credible. The sheer volume of this evidence cannot be summarily dismissed when one considers the fact that in Laos alone, we have not visited any detention facilities.

I also find the live-sightings from Robert Garwood who returned from Vietnam in 1979 to be very credible. Even the Vietnamese have confirmed many of the details concerning Garwood's movement and prison visits in northern Vietnam, to include his work in 1977 to repair a generator at a prison complex in Thach Ba Lake on the outskirts of Hanoi. In typical fashion, I believe DIA used pending convictions against Garwood upon his return to the United States as a basis for discrediting his reports about other American POW's. They have also consistently stated, as recently as June 1992 that no such prison as Garwood described at Thach Ba Lake ever existed, even though the Vietnamese have confirmed Garwood's description of the facility. These actions by DIA have often been referred to as the "mindset to debunk" possible information on live American POW's.

### 3. DEFENSE INTELLIGENCE AGENCY

As stated in our final report, several members of the committee, including the chairman and myself, have formally expressed our concern that some individuals involved with DIA's POW/MIA activities have, on occasion, been evasive, unresponsive, and disturbingly incorrect and cavalier. The committee also found reason to take allegations of a "mindset to debunk" seriously, as noted in the executive summary to the report. I hope that this situation will be reviewed by the new administration to ensure that we have dedicated personnel who are objectively committed to finding the truth about our POW's and MIA's.

I must say, Mr. President, that this is truly one of the areas that I am most concerned about as we try to achieve an accounting for our missing men. Some of the comments and actions attributed to individuals at the DIA's POW/MIA Office have been outrageous. Moreover, it appears that some individuals at DIA's POW/MIA Office have made it a personal crusade to defend every prior action on their part during their unusually long careers in this office. I fear that this has resulted in recent live-sighting reports and other intelligence information being summarily dismissed by analysis when it conflicts with their own earlier conclusions. The problem is, Mr. President, that the earlier conclusions may be in error, and our committee found such instances during its investigation. As a result, I am extremely concerned about the capacity of certain DIA analysts to conduct an objective search for answers, especially on the question of whether any Americans may have survived in Vietnam and Laos after 1973.

As an example, I note that between December 15, 1992, and January 12,

1993—a 19-day work period—DIA managed to resolve unresolved first-hand live-sighting reports at a rate over four times faster than during the committee's tenure. One wonders if the committee was able to dramatically improve the time it takes to resolve reports, or if this quickened pace is the reflection of diminished oversight authority in Congress as a result of the select committee's termination.

President Clinton has continuously noted that it is "time for change." Based on correspondence I have received over the years, it is obvious that the majority of POW/MIA family members, national veterans groups, and the American public at large, have virtually no confidence or respect for the work done by the five senior DIA POW/MIA employees on the live prisoner question, nor the manner in which they defend their analysis even when it is eventually proven to be inaccurate. Often, it is as if they are defending their own personal integrity with paranoid reactions, and as a result, judgments become shaded. In short, their penchant to defend prior conclusions against perceived critics has corrupted the analytical process and put it in direct conflict with U.S. Government policy which assumes that some Americans could have survived in captivity long after the war.

Mr. President, it is time for a change. It is time for new management and new experienced analysts at DIA.

However, change should not result in inexperienced personnel being assigned to complex tasks. Indeed, there has been legitimate concern that young, inexperienced personnel are being sent into Vietnam to search for answers without being familiar with language or locations. I know there are many brilliant Vietnam-era intelligence officers throughout the country. I am confident that many of these officers would be eager to join the effort to determine if any Americans are still held against their will in Southeast Asia.

I hope this recommendation will receive serious attention, and I expect to continue to voice my concerns in these areas. Recently, I have heard that certain DIA POW/MIA employees believe they are now off the hook following the dismantling of the Senate Select Committee on POW/MIA Affairs. Reportedly, they are not too worried about our report and have discussed taking specific steps to once again attempt to limit legitimate Senate oversight by Members and committees on this issue. They have specifically expressed concern that the offices of certain Members may try to carry on the POW/MIA quest and that this must be contained.

If there is one thing the select committee has demonstrated through scores of hearings, depositions, and trips, it is that the quest for answers on unaccounted for POW's from past wars is truly legitimate and honorable,

and above all, it is, indeed, based on facts, not fiction. So let the word go out to all personnel within the executive branch that the select committee has brought light into the classified tunnel of POW/MIA information, and there are now several Senators who intend to ensure that the light stays on until we have achieved the fullest possible accounting.

### 4. PAST WARS

The public should realize that the findings of the committee concerning evidence of Korean war POW's who did not return contradicts statements by United States Government officials in recent years that there was no evidence to suggest POW's from these wars did not come home. The committee found strong evidence that some American POW's were transferred to the Soviet Union during the Korean war. The committee has also firmly concluded that China surely has information on the fate of unaccounted for POW's from the Korean war.

Finally, based on its investigation and review of intelligence information, the committee cannot rule out the possibility that one or more POW's could still be held against their will in North Korea and on the territory of the former Soviet Union. Concerning the cold war, it is important to note that the evidence is convincing that some unaccounted for American servicemen lost during the cold war were actually captured and held in the Soviet Union. Their fates are unknown. We are hopeful that a continuation of the United States-Russia Joint Commission on POW/MIA's along with the very recent increased level of cooperation from North Korea and China will result in answers to these questions.

### 5. VIETNAM AND LAOS

The executive summary describes in detail the overall judgment of the committee concerning the level of cooperation on POW/MIA matters from Vietnam and Laos. We are pleased with recent cooperative efforts by Vietnam, although disappointed that it took 20 years to get to this point. In Laos, we are disappointed by what we believe is a general lack of access to allow investigation of live-sighting reports and discrepancy cases. We strongly encourage Lao leaders to match the recently improved level of cooperation our investigators are now experiencing in Vietnam.

### 6. FAMILIES

Certainly the families of unaccounted for POW's and MIA's have had the most at stake following past military conflicts. They have literally been on a rollercoaster ride perpetrated by a historical lack of cooperation from Communist governments and difficulty in securing information from our own Government. It is these families that have consistently motivated me during the last 8 years to help them in their

search for answers. Not knowing and uncertainty can be even more difficult than knowing that death of a loved one has occurred. We rightly pay tribute to these families in our final report. Moreover, we have urged our Government to centralize and declassify POW/MIA records to ensure families and the public have access to what our Government knows.

#### 7. RECOMMENDATIONS TO PRESIDENT CLINTON

The final report of the Select Committee on POW/MIA Affairs is being sent to the President of the United States. I have heard that President Clinton is sincerely concerned about efforts to achieve the fullest possible accounting of our missing and captured personnel. It is therefore my sincere hope that President Clinton will appoint a Presidential designee to monitor POW/MIA accounting efforts by our own Government and to encourage greater cooperation from foreign governments. I believe our committee's oversight investigation brought increased efforts at home and abroad. The appointment of a Presidential designee can likewise ensure that our efforts remain focused and determined at all levels. Without such efforts, the fullest possible accounting of our missing and captured men will needlessly drag on for years. I hope to have the opportunity to discuss both the report and these recommendations with the President in the near future as he formulates policy on POW/MIA matters.

Mr. President, with the support of both the majority and minority leader, the committee has worked tirelessly during the past year to open this issue to the American public so together we can all try to seek the truth on our POW's and MIA's. We owe no less to those who make the ultimate sacrifices on behalf of their Nation's freedom, as well as to their families and their comrades who fought with them.

Today, our committee has shown that the United States Government must continue to press Vietnam to keep the promises it made on January 27, 1973. On Monday of this week, Hanoi's Foreign Ministry issued a statement stating that accounting for MIA's should not be a precondition to normalization. Mr. President, I reject this statement. This is not a precondition made by the United States to Vietnam in order for full normalization of economic and diplomatic relations to occur. It was a solemn commitment made by Vietnam 20 years ago today which remains unfulfilled. Therefore, our raising of the issue with Vietnam in the context of normalization is consistent with agreements signed by Vietnam 20 years ago today, and the leaders of Vietnam surely understand this, and it should therefore come as no surprise to the Vietnamese that Americans would continue to raise these issues. Moreover, in the last decade, this has not been a matter of mere legality,

but rather a moral and humanitarian issue deserving of resolution.

While there has been recent improvement in Vietnamese actions to account for our missing men, there is still much the Vietnamese can do, as outlined in our final report. Most importantly, from my own perspective, they should be completely forthcoming on telling us everything they know about United States personnel captured or shot down by North Vietnamese and Pathet Lao units in Laos during the war. There are more than 500 military personnel unaccounted for in Laos, and as I noted above, we have received only limited access to Laos.

Mr. President, much work remains to be done and many questions remain unanswered. Some questions will never be answered, but I am convinced that many can be answered through an investigative process that is professional, objective, and dedicated and through a process that enjoys full cooperation from Vietnam and other governments. In short, the American people expect the binding commitments made by Vietnam 20 years ago today to be fulfilled. And we expect our Government to make sure the promises are fulfilled—that is the commitment I have made to my constituents and to family members and veterans across America. As a Vietnam veteran myself, I am proud to make this commitment on behalf of those who did not return at the end of the war.

Based on our intensive year-long investigation into the POW/MIA issue, I also call upon our Government and Vietnam and Laos to themselves renew their commitment today to resolve this issue; 20 years is long enough. And for other nations involved with prior wars, I also ask them to cooperate with U.S. efforts. The families and our Nation are owed answers. Thank you, Mr. President.

Mr. President, I ask unanimous consent that a letter referenced in chapter 6, page 383, footnote 162 of the final report of the Select Committee on POW/MIA Affairs which was inadvertently omitted from the report annex be entered in the CONGRESSIONAL RECORD following my remarks.

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

U.S. SENATE,

Washington, DC, January 16, 1993.

Mr. RICHARD T. CHILDRESS,  
Washington, DC.

DEAR DICK: Thank you for your letter of January 8, 1993 expressing concern about proposed language in staff drafts of the final report of the Select Committee on POW/MIA Affairs. I also appreciate your subsequent phone call during which you indicated to me your belief that there were factual inaccuracies in Chapter 6 of the Select Committee's Final Report released on Wednesday, January 13, 1993.

Your January 8, 1993 letter should have been printed in its entirety in Chapter 6 of the Final Report under the heading "Ques-

tions About U.S. Government Involvement with Private Efforts to Fund Lao Resistance." The fact that the whole letter was not included is the result of a Committee staff oversight which is now being corrected. As a result of this omission and several other oversights and omissions during the initial printing process in the Senate, the official printing of the report by the Government Printing Office has been delayed until late Tuesday, January 19, 1993.

Let me also take this opportunity to clarify reports that matters discussed in Chapter 6 of the Final Report have been referred by the Select Committee to the Department of Justice. During the press conference by Members of the Committee on Wednesday, January 13, 1993, Senator Grassley stated: "The Committee will refer a case to the Justice Department for possible criminal violations. This case involves the possibility of covert operations in Laos coordinated by White House staff using private funds."

Subsequently, on January 15, 1993, Senator Grassley sent a letter from his personal office to the Attorney General stating that he was referring this matter "on behalf of the Committee."

Having served as the Vice-Chairman of the Select Committee on POW/MIA Affairs, I want you to know that the Select Committee did not refer this matter to the Department of Justice before its authority expired at midnight on Tuesday, January 12, 1993.

This course of action would have required a serious review by Members of the information the Committee had received. After such a review, it is probable that, given the nature of the allegations, any decision to refer the matter to the Department of Justice would have involved a full Committee vote by all 12 Members.

I have the greatest respect for Senator Grassley and his right to refer these matters to the Attorney General based on his interpretation of the information the Committee staff examined. Indeed, this is not the first time a Senator who served on the Select Committee has referred POW/MIA related activities to the Justice Department. On February 12, 1992, Senator John McCain asked the Attorney General to conduct an investigation into alleged fraudulent creation and dissemination of a purported POW photograph by retired Air Force Lt. Colonel Jack E. Bailey.

After reviewing the matters which prompted Senator McCain's request, the Chairman and I jointly signed a letter to the Attorney General on February 21, 1992 expressing our support for Senator McCain's request (copy attached.) I wish to stress that the Chairman and I did not take similar action concerning Senator Grassley's correspondence with the Department of Justice. There had been no discussion of such a referral by the Members of the Committee, as I believe would have been appropriate, nor was there any such recommendation contained in the staff drafts or the final report itself.

I know Senator Kerry agrees with me that any factually inaccurate or undocumented statements of clear omissions of relevant facts in Chapter 6 of the Committee's Report released this past Wednesday should be corrected. In the next few days, I intend to work with Senator Kerry to ensure that any such statements are properly corrected prior to the final printing of the Committee's Report.

After receiving your telephone call, I personally reviewed certain sections of Chapter 6. Examples of items which I believe may be inaccurate or improperly attribute conclusions or judgements to the full Committee are noted below:

In Chapter 4, p. 261, there is reference to undocumented allegations of U.S. Government (NSC) support to private organizations in regard to the movement of funds to indigenous rebel groups "which due to time constraints, the Committee was unable to pursue \* \* \*"

However, in Chapter 6, it is stated that the Committee "learned that U.S. Government officials illegally attempted to provide handguns for members of the Lao resistance \* \* \*" This phrasing implies that the Committee learned in its investigation that USG officials illegally attempted to provide handguns for members of the Lao resistance. The Committee did not make such a judgment, but rather, received allegations and information that such actions may have occurred.

Because of a staff oversight, the entire letter from Richard Childress is not printed as agreed to by the Members of the Committee.

The first sentence under the heading on page 373 of Chapter 6 entitled "Questions About U.S. Government Involvement with Private Efforts to Fund Lao Resistance" implies that the Committee has concluded based on depositions, documents, and affidavits, that "officials of the National Security Council had approved a proposed project" that would raise private funds for resistance groups in Laos. This is factually inaccurate because the full Committee did not reach a conclusion that this is what the depositions, documents, and affidavits indicate.

Under the same heading, the Committee omitted relevant information in its possession indicating that many of these charges were investigated by the Senate Veterans Affairs Committee in 1986 and the House Subcommittee on Asian and Pacific Affairs in 1983. In both instances, information indicates that Congress dismissed the charges as baseless. In the former inquiry, information has been provided that Senator DeConcini sent a letter apologizing to Childress that the charges which had been determined to be unfounded had been raised in a public forum. This omission should be included following the Childress letter.

The following sentence in the paragraph on page 374 of Chapter 6 is undocumented: "Information provided to the Committee indicates that \* \* \* the \$156,000 transferred to the Diwan account was subsequently provided to Lao resistance forces \* \* \*"

On page 374 of Chapter 6, sentence beginning "The funds transferred to the Diwan account went to a Lao resistance group for operations." The text of this sentence should include mention that this is based on testimony from Bert Hurlbut, and is not a conclusion of the Committee.

On page 377 of Chapter 6, footnote #173 and the sentence to which it refers should be stricken from the report as General Singlaub was not deposed by the Committee, the sentence is based on what appears in a book, and the sentence should not be represented as a conclusion which was made or verified by the Committee.

On page 377 of Chapter 6, the Committee incorrectly implies that Mr. John Fisher of the American Security Council Foundation was "involved" with supporting the Lao resistance at the request of the White House. This is factually incorrect because the referenced contributions from Mr. Fisher actually went to "Food for the Hungry" in Paris which was assisting Vietnamese refugees. A small amount of the funds also went to fund a League of Families trip to Hanoi.

The NSC memorandum on Bo Gritz printed in full in the report states that the illegal foray by Gritz into Laos in 1983 with the Lao

resistance set back U.S. cooperation with the Lao Government. The Committee report should accurately reflect that this NSC memorandum on the adverse impact of Gritz' working with the Lao resistance was staffed and written by Richard Childress, the same person against whom allegations have been made that he worked to support the Lao resistance.

The section on U.S. support for Lao resistance groups contains quotes from depositions of those who "assumed" the White House was orchestrating and approving everything as it occurred, yet no quotes from the depositions of Childress or Griffiths on what they say happened, even though they were both deposed by staff investigators and the information was available to the Committee. Quotes should be included from these depositions to accurately reflect both sides to the allegations in Chapter 6.

Finally, the Committee should accurately reflect that Childress and Griffiths fully cooperated with the Committee, while others did not, and that speeches, public appearances, and negotiating records, all support Childress' contention that he consistently and forcefully opposed any cross-border forays into Laos through resistance forces because of the adverse impact it would have on POW/MIA cooperation with the Government of Laos.

As I have indicated, it is my intention to ensure that the examples of factually inaccurate and/or undocumented statements referenced above are corrected before the final printing of the Committee's report.

Again, thank you for contacting me with your concerns. I deeply regret that these matters were not fully addressed by Members during the drafting of the Committee's Final Report.

Sincerely,

BOB SMITH,  
U.S. Senator.

—  
SELECT COMMITTEE ON  
POW/MIA AFFAIRS,  
Washington, DC, February 21, 1992.

Hon. WILLIAM BARR,  
Attorney General, U.S. Department of Justice,  
Washington, DC.

DEAR MR. BARR: Senator John McCain wrote you a letter on February 12, 1992 urging you to conduct an investigation into the allegedly fraudulent creation and dissemination by retired Air Force Lt. Col. Jack E. Bailey of a photograph of Donald Gene Carr, an Army Special Forces captain who was lost in Laos in 1971 and who has never been accounted for since. As the chairman and vice-chairman of the Senate Select Committee on POW/MIA Affairs, we share Senator McCain's deep concern that certain people may be creating false information about POWs and MIAs to defraud innocent American families, and we are very interested in the progress of any investigation being conducted by the Justice Department.

Please inform us of the status of any Justice Department action to investigate the fraud allegations regarding the Carr photograph and/or any other suspected frauds related to the POW/MIA issue in Southeast Asia.

Thank you very much for your prompt attention to this important matter.

Sincerely yours,

BOB SMITH,  
Vice Chairman,  
JOHN F. KERRY,  
Chairman.

#### DEATH OF JUSTICE THURGOOD MARSHALL

Mr. SARBANES. Mr. President, it is with great sadness that I rise to note the passing of one of our Nation's greatest leaders, Supreme Court Justice Thurgood Marshall. It seems in many ways ironic that the passing of this defender of justice and catalyst of sweeping change should follow so rapidly upon the inauguration of a new president and a new era.

Thurgood Marshall's journey from Druid Hill Avenue in Baltimore to his seat on the Supreme Court was regarded by some as an improbable, if not unthinkable, feat. But to many, his ascension to the highest judicial body in this Nation and his groundbreaking achievements along the way were merely living testimony to the principles and ideals which he espoused—that justice colored by race is not justice at all and that the law, and particularly the Constitution, must be used to ensure the rights of all men and women.

As the son of a Pullman porter and an elementary school teacher, Marshall grew up painfully aware of the searing legacy of racism and segregation. A product of segregated elementary, secondary schools, and colleges, Marshall was denied admission from what was, at the time, the only accredited law school in the State of Maryland. Undaunted by this setback, Marshall received his law degree from Howard University, finishing first in his class.

While at Howard, Marshall came under the tutelage of law school vice-dean, Charles H. Houston, who later, as chief legal counsel to the NAACP, enlisted Marshall's tireless commitment in the first of many battles for equal rights. Taking on the same university which had less than 4 years earlier denied his own admission, Marshall won a case arguing that separate law schools were not equal law schools, thus mandating admission of the first African-American man to an accredited law school in Maryland.

Marshall later traveled throughout the United States both as an emissary of Charles Houston and ultimately as head of the NAACP Legal Defense Fund, to argue similar cases for individuals seeking the education to which they were entitled. At every turn possible, Marshall would advocate the right to a fair trial, the right to representation by legal counsel, the right to equal treatment under law—rights theoretically guaranteed to all by the Constitution but frequently denied to those on the basis of skin color or income level. Although Brown versus Board of Education, the decision declaring "separate but equal" doctrines unconstitutional, was arguably Marshall's greatest victory, Marshall's fight to end discrimination was a broad based struggle ranging from cases such as Smith versus Allwright, which en-

sured the right of African-Americans to vote in primary elections, to the numerous restrictive covenant cases he argued to ensure access to fair housing for all Americans.

In retrospect, it seems only natural that Justice Marshall's distinguished career, as voice for the underdog and champion of a Constitution unfettered by prejudice, would progress through his appointment to the Second Circuit Court of Appeals to his post as U.S. Solicitor General and culminate in his appointment to the highest court of the land—the U.S. Supreme Court.

While on the Court, Justice Marshall remained vigilant in his commitment to protecting those unable to protect themselves. Weathering the storms of an increasingly conservative Court, Justice Marshall became more vocal in his opposition to what he viewed as his newer colleagues derogation of the 13th, 14th, and 15th amendments. Remaining ever vigilant in his defense of the fundamental principles of justice and equality, Justice Marshall registered 25 dissents out of 112 cases in his final term.

As described by friends, Justice Thurgood Marshall was a man of good humor, a spell-binding story-teller, and a devoted husband and father. As defined by his legacy, Justice Marshall was the voice of the poor, the disenfranchised and a protector of constitutional rights for all Americans. Justice Thurgood Marshall will be greatly missed by his family, his friends, and his colleagues, but most of all, the people of America all of whom were nobly served by this wise and courageous man.

#### MRS. JOHN D. ROCKEFELLER III

Mr. DASCHLE. Mr. President, late last year we were greatly saddened by the loss of Blanchette H. Rockefeller. Her death on November 29, 1992, at 83 years of age, evokes many memories for those who had the good fortune to know her.

For many years, Mrs. Rockefeller was a devoted advocate of support for the arts, and for many cultural institutions throughout the country. She had become a familiar and much beloved figure in Washington as she encouraged, enlightened and exhorted elected and appointed officials to provide support for the arts and humanities. When Congress was tempted to choose short-term economies at the expense of long-term programs, Mrs. Rockefeller's gentle but implacably firm arguments carried great weight.

I have special recollections of my first meeting with her. A freshman Representative from Aberdeen, SD, I had been relegated to virtually inaccessible office space on the remotest edge of the fifth floor of the Cannon Building. It was, therefore, a surprise to find Mrs. Rockefeller, the president

of New York's Museum of Modern Art, at my door. Her interest in discussing South Dakota's concerns and needs impressed me greatly, and her subsequent visits with me and other newly minted Members of Congress helped shape our future thinking and understanding.

Mrs. Rockefeller and her late husband, John D. Rockefeller III, shared a broad range of philanthropic interests for more than 40 years. In addition to her long association with the Museum of Modern Art, which she served as chairman and president, Mrs. Rockefeller played an influential role in the work of the National Council on the Humanities and the New York State Council on the Arts.

Blanchette Rockefeller's extraordinary warmth and grace will be long remembered, as will her legacy of selfless public service. My wife, Linda, and I will greatly miss her, and we join in expressing our most heartfelt sympathies to her son, Senator JOHN D. ROCKEFELLER IV of West Virginia; her daughters, Sandra Ferry of Massachusetts, Hope Aldrich of New Mexico and Alida Messinger of Minnesota; and to all her family.

#### IN TRIBUTE TO THE LATE JUSTICE THURGOOD MARSHALL

Mr. LIEBERMAN. Mr. President, I rise today to pay tribute to the life and work of one of this country's greatest citizens, the late Justice Thurgood Marshall. Justice Marshall, through his work, touched each of our lives. And those of us who are racial or religious minorities owe Justice Marshall a special debt, for we especially are the beneficiaries of the revolution in American law that Justice Marshall wrought.

Justice Marshall was, of course, the first African-American to become an Associate Justice of the U.S. Supreme Court. There he served with distinction bringing not only his perspective as an African-American to bear, but, just as important, his long experience as a courtroom lawyer. As his fellow Justices have said, this made him a voice that required listening.

But as long and distinguished as his career on the bench was, Justice Marshall's greatest accomplishment—and his most lasting memorial—was the end of legally sanctioned segregation. He was the lawyer who argued and won the landmark case of Brown versus Board of Education, which ended the doctrine of "separate but equal" and which marked a major turning point in the battle to end segregation. But he did much more than that. He was the architect of the legal strategy that culminated in Brown.

For almost 25 years, from the time he graduated from law school to the time he was first appointed to the Federal bench, Justice Marshall traveled the country bringing cases to challenge the

manifestations of segregation and discrimination. This made him a hero and a legend in many African-American communities, and equally a legend but most definitely not a hero to those who sought to defend the status quo. Through these battles, Justice Marshall picked away at discrimination in schools, in the criminal justice system, in housing and public accommodations, and in the political process.

Thanks to Justice Marshall's efforts and the revolution that he helped create, my children have grown up in a different America than I did. Racism is no longer widely accepted or acceptable. Legally sanctioned segregation is dead. Racially and religiously restrictive covenants are gone. Housing discrimination, while it still exists, is illegal. People are entitled to seek and get jobs based on their own merit and qualifications, without being held back by race, religion, national origin or gender.

This is the enormous legacy that Justice Marshall leaves to our country. But his passing also issues a challenge. At his retirement news conference, Justice Marshall, when asked if African-Americans were "free at last," answered that he agreed with a Pullman porter who had said that he "had been in every city in this country \* \* \* and he had never been in any city in the United States where he had to put his hand in front of his face to find out he was a Negro." Our challenge is to continue his work to build an America in which the color of one's skin is never a barrier to full participation in society.

Mr. President, it is sad that our Nation has lost such a distinguished citizen and public servant as Justice Thurgood Marshall. But we should celebrate his life, his accomplishments and his ideals. And we should give thanks that God blessed us by sending us a man such as Justice Thurgood Marshall.

#### TRIBUTE TO ROBERT SCULLY

Mr. LEVIN. Mr. President, I rise today to honor a long time friend from Michigan, Robert Scully, who retired on January 1, 1993, from the city of Detroit Police Department after 25 years of distinguished service. Bob began his career as a Detroit police officer in 1967.

In 1976, Bob became an officer of the Detroit Police Officers Association [DPOA], Michigan's largest police union. He served as DPOA's vice president from 1980 until 1992.

Bob is a native of Detroit and graduated from Redford Saint Mary High School and attended the University of Michigan. Bob and his wife Patricia are the parents of two sons.

Bob was one of the founders of the 135,000-member National Association of Police Organizations [NAPO] and was elected as NAPO's first secretary in

1979. He served as vice president in 1981 and was appointed president in May 1982 elected president in 1983, and continued to be reelected to that position through 1991.

Among NAPO's major legislative accomplishments under Bob Scully's watch are the enactment of and improvements in the Federal Public Safety Officers Benefit Program. Under this program, the survivors of slain police officers and firefighters receive a \$125,000 death benefit. NAPO's other legislative accomplishments include the establishment, funding and building of the National Law Enforcement Memorial in Washington, DC; much of the Federal anticrime and antidrug legislation that has passed in recent years; and support for the Brady bill to provide a national minimum waiting period for the purchase of handguns.

Upon his retirement, Bob was appointed executive director of NAPO in Washington, DC. I would like to take this opportunity to personally thank Bob Scully for his loyal service to the people and the city of Detroit. I wish him all the best in his new position. He deserves it.

#### IRRESPONSIBLE CONGRESS? HERE IS TODAY'S BOXSCORE

Mr. HELMS. Mr. President, the Federal debt run up by the U.S. Congress, stood at \$4,175,651,407,763.78 as of the close of business this past Monday, January 25.

Anybody remotely familiar with the U.S. Constitution is bound to know that no President can spend a dime that has not first been authorized and appropriated by the Congress of the United States. Therefore, no Member of Congress, House or Senate, can pass the buck as to the responsibility for this shameful display of irresponsibility. The dead cat lies on the doorstep of the Congress of the United States.

During the past fiscal year, it cost the American taxpayers \$286,022,000,000 merely to pay the interest on deficit Federal spending, approved by Congress, over and above what the Federal Government has collected in taxes and other income. Averaged out, this amounts to \$5.5 billion every week, or \$785 million every day, just to pay the interest on the existing Federal debt.

On a per capita basis, every man, woman, and child owes \$16,256.59, thanks to the big spenders in Congress for the past half century. Paying the interest on this massive debt, averages out to be \$1,127.85 per year for each man, woman, and child in America. Or, looking at it another way, for each family of four, the tab, to pay the interest alone, comes to \$4,511.40 per year.

What would America's economic stability be today if there had been a Congress with the courage and the integrity to operate on a balanced budget? The arithmetic speaks for itself.

Mr. KERRY. I ask unanimous consent that Senator DOLE be recognized to address the Senate, and at the conclusion of his remarks, the Senate stand in recess as ordered.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

#### APPOINTMENTS BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER (Mr. WELLSTONE). The Chair, on behalf of the President pro tempore, pursuant to Senate Resolution 400, 94th Congress, and Senate Resolution 4, 95th Congress, appoints the following Senators to the Select Committee on Intelligence:

The Senator from Arizona [Mr. DECONCINI], chairman;

The Senator from Ohio [Mr. METZENBAUM];

The Senator from Ohio [Mr. GLENN];

The Senator from Nebraska [Mr. KERREY];

The Senator from Nevada [Mr. BRYAN];

The Senator from Florida [Mr. GRAHAM];

The Senator from Massachusetts [Mr. KERRY];

The Senator from Montana [Mr. BAUCUS]; and

The Senator from Louisiana [Mr. JOHNSTON].

The Chair, on behalf of the President pro tempore, pursuant to Senate Resolution 400, 94th Congress, and Senate Resolution 4, 95th Congress, appoints the following Senators to the Select Committee on Intelligence:

The Senator from Virginia [Mr. WARNER], vice chairman;

The Senator from New York [Mr. D'AMATO];

The Senator from Missouri [Mr. DANFORTH];

The Senator from Washington [Mr. GORTON];

The Senator from Rhode Island [Mr. CHAFEE];

The Senator from Alaska [Mr. STEVENS], vice the Senator from Alaska [Mr. MURKOWSKI];

The Senator from Indiana [Mr. LUGAR], vice the Senator from Pennsylvania [Mr. SPECTER]; and

The Senator from Wyoming [Mr. WALLOP].

Mr. DOLE. Mr. President, I have three different items. I will just start with the Lautenberg-Dole resolution which the distinguished Senator from New Jersey introduced yesterday.

#### RAPE IN BOSNIA AND HERCEGOVINA

Mr. DOLE. Mr. President, I am pleased to cosponsor the resolution introduced by the distinguished Senator from New Jersey [Mr. LAUTENBERG] on the very disturbing matter of systematic rape in Bosnia and Hercegovina.

While we have known for many months now that unspeakable atrocities were being committed in Bosnia, particularly by Serb forces pursuing the policy of ethnic cleansing, it is only recently that we have learned the true extent of this horror. The 1992 State Department's annual country human rights report states:

The atrocities of the Croats and Bosnian Muslims pale in comparison to the sheer scale and calculated cruelty of the killings and other abuses committed by Serbian and Bosnian Serbian forces against Bosnian Muslims, ostensibly in defense of Serbs in Bosnia.

Moreover, it is only recently that we have learned of the particular suffering of the women of Bosnia and Hercegovina; we have finally received independent confirmation of Bosnian Government claims that thousands of Bosnian women of all ages have been brutalized and raped in a systematic fashion by Serb forces.

In December, the European Community [EC] tasked a team of experts with the investigation of the Bosnian Government's allegations. The EC team compiled a report which estimates that 20,000 Bosnian women, primarily Muslim women, have been victims of systematic rape by Serb forces.

Indeed, the EC report states that the Serb forces are using systematic rape as a weapon of war—as yet another method of perpetrating ethnic cleansing.

Mr. President, the sheer number of rape victims is shocking. But, even more shocking and tragic is the fact that some of the rape victims are children—girls who are as young as 6 years old. The lives of all of these victims will be permanently altered by the trauma of rape. They will be haunted by memories of their severe physical and mental abuse at the hands of men bent on punishing them because of their religion and ethnicity.

Mr. President, we know what is happening to the people of Bosnia and Hercegovina. We know that civilians are the primary targets of Serb hostilities. We know the tragic plight of Bosnian women captured by Serb forces. The bottom line is that we know what is going on and we need to do something about it. We need to take action now to assure that the individuals committing these brutal crimes will be held accountable. War criminals must know that they will be brought to justice.

As with other issues relating to Bosnia, the United Nations has been mostly talk and little action. The War

Crimes Commission at the United Nations does not have adequate funding. Moreover, a tribunal has not yet been set up to begin investigation and prosecution of war crimes.

This resolution calls on the President to publicly condemn systematic rape in this conflict and to vigorously support the establishment by the United Nations of a war crimes tribunal. It also urges that countries engaged in humanitarian relief efforts provide resources for the treatment of rape victims.

And, finally, it calls on the United Nations to provide adequate funding in support of the investigation and prosecution of war crimes.

Mr. President, I certainly urge my colleagues to review this resolution and, hopefully, cosponsor it along with myself, Senator LAUTENBERG, Senator KENNEDY, Senator LEAHY, Senator D'AMATO, Senator MURRAY, Senator DURENBERGER, Senator REID, Senator PRESSLER, Senator CAMPBELL, and maybe others by this time. But I certainly think it deserves the consideration of Members on both sides of the aisle.

#### THURGOOD MARSHALL

Mr. DOLE. Mr. President, I join with those today who are paying tribute to the life and legacy of Justice Thurgood Marshall.

I cannot help but think back to last May, when I attended a ceremony in Topeka where the Monroe School was designated a national historic landmark.

It was the Monroe School—and the efforts of a woman named Linda Brown to enroll her children in that school—which created the case which will forever be known as Brown versus the Board of Education.

The case was originally filed by two courageous Kansas attorneys named John and Charles Scott. And it was Thurgood Marshall, of course, who successfully argued the case before the Supreme Court, ending the separate but equal doctrine in public education.

His victory in this case, his career as legal counsel to the NAACP, as Solicitor General, and as a 24-year member of the U.S. Supreme Court, leave no doubt that Thurgood Marshall was also a national historic landmark.

I may not have agreed with every one of Justice Marshall's opinions, but no one can disagree with the fact that the civil rights movement would not be what it is today without his courage and leadership.

I join with the Members of this body in extending our sympathies to Justice Marshall's family—most especially to his son, Thurgood, who recently left the staff of the Senate Judiciary Committee to join the Vice President's office.

#### SALUTE TO VICE PRESIDENT QUAYLE

Mr. DOLE. Mr. President, there are many tough jobs in Government—but certainly one of the toughest and most thankless is serving as Vice President of the United States.

With the only official task being to serve as President of the Senate, the job of Vice President is left up to what the occupant makes of it.

And what Dan Quayle made of it was a difference—a positive difference—for President Bush and for America.

No doubt about it, any Vice President always takes some shots from the media. But no Vice President took as many shots—unfair shots—as Dan Quayle. And no Vice President withstood those shots with as much grace, good humor, and commitment to not back down from his beliefs, as Dan Quayle.

Dan Quayle came to the Vice Presidency as an experienced public servant, having served 4 years in the House of Representatives, and 8 years alongside many of us here in the U.S. Senate. And he put his experience and know-how to use for President Bush.

As Vice President, Dan Quayle single-handedly put reform of our civil justice system on top of our Nation's priority list. As usual, the so-called beltway insiders, and special interest groups such as the American Trial Lawyers opposed the Vice President. But the vast majority of Americans knew that his commonsense proposals were right on target.

As chairman of the Council On Competitiveness—another frequent target for the liberal media—Dan Quayle was the last line of resistance against saddling small business with more mandates, red tape, and regulations.

Vice President Quayle also served ably as Chairman of the National Space Council, where he drew up a blueprint for space policy in the 21st century.

As Vice President, Dan Quayle was a full partner in the historic foreign policy victories of the Bush administration. He traveled to some 50 countries as President Bush's representative, standing up for democracy and freedom round the globe. And throughout Operation Desert Storm, Dan Quayle sat at the table, and stood firmly with President Bush as a tyrant was defeated.

America was also fortunate to have a second lady as talented and committed as Marilyn Quayle.

Through tireless travels around the world, Marilyn Quayle brought much-needed attention to the area of disaster preparedness. And I happen to know that the president of the Red Cross believes that few people have done more for this life-saving area than Marilyn Quayle.

Saving lives was also what both Dan and Marilyn Quayle accomplished through their commitment to breast

cancer awareness. For 3 years, they served as cochairmen of the Race for the Cure, a fund raiser for breast cancer awareness which has become a Washington, DC, tradition.

Dan Quayle is now returning to private life after 16 years in public service. He is still, however, young in age, and high in a commitment to make a difference and to serve his country. I am confident that he will continue to do just that for many years to come.

#### APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to Public Law 94-304, as amended by Public Law 99-7, appoints the following Senators to the Commission on Security and Cooperation in Europe:

The Senator from Arizona [Mr. DECONCINI], chairman;

The Senator from New Jersey [Mr. LAUTENBERG];

The Senator from Nevada [Mr. REID];

The Senator from Florida [Mr. GRAM]; and

The Senator from Maryland [Ms. MIKULSKI].

#### MESSAGES FROM THE HOUSE

At 1:03 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 resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 27. A concurrent resolution providing for an adjournment to the House from Wednesday, January 27, 1993, to Tuesday, February 2, 1993.

At 4:30 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill; without amendment:

S. 202. An act to designate the Federal Judiciary Building in Washington, D.C., as the "Thurgood Marshall Federal Judiciary Building."

The message also announced that pursuant to the provisions of 15 U.S.C. 1024(a), the Speaker appoints as members of the Joint Economic Committee the following Members on the part of the House: Mr. HAMILTON, Mr. OBEY, Mr. STARK, Mr. MFUME, Mr. WYDEN, and Mr. ANDREWS of Texas.

#### 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-467. A communication from the Secretary of Housing and Urban Development,

transmitting, pursuant to law, a report on the Mutual Mortgage Insurance Fund; to the Committee on Banking, Housing, and Urban Affairs.

EC-468. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, a report on HUD sponsored research; to the Committee on Banking, Housing, and Urban Affairs.

EC-469. A communication from the Chairman of the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, a report on the availability of credit to small businesses and small farms; to the Committee on Banking, Housing, and Urban Affairs.

EC-471. A communication from the Secretary of Transportation, transmitting, pursuant to law, the Seventeenth Annual Report to Congress on the Automotive Fuel Economy Program; to the Committee on Commerce, Science, and Transportation.

EC-472. A communication from the Administrator of the Federal Aviation Administration, transmitting, pursuant to law, a report on the correction of deficiencies in the Airman and Aircraft Registry System; to the Committee on Commerce, Science, and Transportation.

EC-473. A communication from the Secretary of Commerce, transmitting, pursuant to law, a report of Federal agency use of technology transfer authorities; to the Committee on Commerce, Science, and Transportation.

EC-474. A communication from the President of the United States, transmitting, pursuant to law, the annual report of the Tourism Policy Council for fiscal years 1991 and 1992; to the Committee on Commerce, Science, and Transportation.

EC-475. A communication from the President of the United States, transmitting, pursuant to law, a report relative to support for science and technology; to the Committee on Commerce, Science, and Transportation.

EC-476. A communication from the Secretary of Commerce, transmitting, pursuant to law, the Commerce Department's fiscal year 1992 annual report; to the Committee on Commerce, Science, and Transportation.

EC-477. A communication from the Assistant Secretary of the Department of Energy, transmitting, pursuant to law, a notice of extension of the public comment period on an Environmental Impact Statement; to the Committee on Energy and Natural Resources.

EC-478. A communication from the President of the United States, transmitting, pursuant to law, the 12th Annual Report of the Department of Energy for fiscal year 1991; to the Committee on Energy and Natural Resources.

EC-479. A communication from the Secretary of Energy, transmitting, pursuant to law, the Strategic Petroleum Reserve's Final Corrective Action Plan; to the Committee on Energy and Natural Resources.

EC-480. A communication from the Secretary of the Interior, transmitting, pursuant to law, a report relating to compensatory royalty agreements; to the Committee on Energy and Natural Resources.

EC-481. A communication from the Secretary of the Interior, pursuant to law, reports relating to mineral resources; to the Committee on Energy and Natural Resources.

EC-482. A communication from the Secretary of the Interior, transmitting, pursuant to law, a report relating to thermal features within Crater Lake National Park; to the Committee on Energy and Natural Resources.

EC-483. A communication from the Acting Assistant Attorney General, transmitting, pursuant to law, a report on the Voluntary Agreement and Plan of Action to Implement the International Energy Program; to the Committee on Energy and Natural Resources.

EC-484. A communication from the Chairman of the Federal Energy Regulatory Commission, transmitting, pursuant to law, a report relating to renewable energy and energy conservation incentives; to the Committee on Energy and Natural Resources.

EC-485. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, a report relating to Superfund Implementation in Fiscal Year 1992; to the Committee on Environment and Public Works.

EC-486. A communication from the Assistant Secretary of the Army (Civil Works), transmitting, pursuant to law, a report relating to authorized projects for planning design or construction; to the Committee on Environment and Public Works.

EC-487. A communication from the Chairman of the Council on Environmental Policy, Executive Office of the President, transmitting, pursuant to law, a report entitled "Partnerships to Progress;" to the Committee on Environment and Public Works.

EC-488. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-330 adopted by the Council on December 1, 1992; to the Committee on Governmental Affairs.

EC-489. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report entitled "Medicaid Coverage for HIV-Positive Individuals Demonstration;" to the Committee on Finance.

EC-490. A communication from the Secretary of Labor, transmitting, pursuant to law, a biennial report on internationally recognized worker rights; to the Committee on Finance.

EC-491. A communication from the Assistant Legal Adviser for Treaty Affairs, United States Department of State, transmitting, pursuant to law, a report relating to international agreements, other than treaties, entered into by the United States in the sixty day period prior to January 14, 1993; to the Committee on Foreign Relations.

EC-492. A communication from the Acting Assistant Secretary (Legislative Affairs), United States Department of State, transmitting, pursuant to law, a report relating to the intended allocation of funds under the FY93 Foreign Operations and Export Financing Act; to the Committee on Foreign Relations.

EC-493. A communication from the Acting Assistant Secretary (Legislative Affairs), United States Department of State, transmitting, pursuant to law, a report relating to the contributions by the United States to international organizations for fiscal year 1991; to the Committee on Foreign Relations.

EC-494. A communication from the President of the United States, transmitting, pursuant to law, a report relating to the prevention of nuclear proliferation; to the Committee on Foreign Relations.

EC-495. A communication from the Acting Assistant Secretary (Legislative Affairs), United States Department of State, transmitting, pursuant to law, a report relating to the status of refugees, displaced persons and victims of conflict from the former Yugoslavia; to the Committee on Foreign Relations.

EC-496. A communication from the Acting Assistant Secretary (Legislative Affairs), United States Department of State, transmitting, pursuant to law, a report relating to the sale and/or lease of defense articles; to the Committee on Foreign Relations.

EC-497. A communication from the Assistant Legal Adviser for Treaty Affairs, United States Department of State, transmitting, pursuant to law, the text of an international agreement with Taiwan; to the Committee on Foreign Relations.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 1. A bill to amend the Public Health Service Act to revise and extend the programs of the National Institutes of Health, and for other purposes (Rept. No. 103-2).

By Mr. KENNEDY, from the Committee on Labor and Human Resources, without amendment:

S. 5. A bill to grant family and temporary medical leave under certain circumstances (Rept. No. 103-3).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, without amendment:

S. Res. 39. An original resolution to authorize expenditures for the Committee on Energy and Natural Resources for the period March 1, 1993, through February 28, 1995.

## 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. SMITH (for himself and Mr. GRAHAM):

S. 220. A bill to reimburse municipalities for tax liens which had been placed on forfeited property; to the Committee on the Judiciary.

By Mr. METZENBAUM (for himself and Mr. HATFIELD):

S. 221. A bill to allow a prisoner under sentence of death to obtain judicial review of newly discovered evidence showing that he is probably innocent; to the Committee on the Judiciary.

By Mr. WELLSTONE:

S. 222. A bill to require the Commissioner of Food and Drugs to collect information regarding the drug RU-486 and review the information to determine whether to approve RU-486 for marketing as a new drug, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. COHEN:

S. 223. A bill to contain health care costs and increase access to affordable health care, and for other purposes; to the Committee on Finance.

By Mr. EXON:

S. 224. A bill to amend the Congressional Budget and Impoundment Control Act of 1974 to grant the President enhanced authority to rescind amounts of budget authority; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one committee reports, the other committee have thirty days to report or be discharged.

S. 225. A bill to amend the Congressional Budget Act of 1974 to provide that any concurrent resolution on the budget that contains reconciliation directives shall include a directive with respect to the statutory limit on the public debt, and for other purposes; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one committee reports, the other committee have thirty days to report or be discharged.

By Mr. DASCHLE (for himself, Mr. DORGAN, Mr. CONRAD, and Mrs. KASSEBAUM):

S. 226. A bill to amend the Internal Revenue Code of 1986 to provide that certain cash rentals of farmland will not cause recapture of special estate tax valuation; to the Committee on Finance.

By Mr. DASCHLE:

S. 227. A bill to amend title 10, United States Code, to remove a restriction on the requirement for the Secretary of the Air Force to dispose of real property at deactivated intercontinental ballistic missile facilities to adjacent landowners; to the Committee on Armed Services.

By Mr. BRYAN (for himself and Mr. DANFORTH):

S. 228. A bill to establish a grant program under the National Highway Traffic Safety Administration for the purpose of promoting the use of bicycle helmets by individuals under the age of 16; to the Committee on Commerce, Science, and Transportation.

By Mr. INOUE:

S. 229. A bill for the relief of the Persis Corporation; to the Committee on the Judiciary.

S. 230. A bill to amend title VII of the Public Health Service Act to ensure that social work students or social work schools are eligible for support under the Health Careers Opportunity Program, the Minority Centers of Excellence Program, and programs of grants for training projects in geriatrics, to establish a social work training program, and for other purposes; to the Committee on Labor and Human Resources.

S. 231. A bill to amend the Foreign Trade Zones Act to permit the deferral of payment of duty on certain production equipment; to the Committee on Finance.

By Mr. HATFIELD:

S. 232. A bill to provide assistance to States to enable such States to raise the quality of instruction in mathematics and science by providing equipment and materials necessary for hands-on instruction; to the Committee on Labor and Human Resources.

By Mr. BOREN (for himself, Mr. WOFFORD, Mr. SIMON, Mr. DASCHLE, Mr. PRYOR, Mr. ROBB, Mr. HOLLINGS, Mr. INOUE, Mr. MCCAIN, Mr. REID, and Mr. LEVIN):

S. 233. A bill to authorize appropriations for the Civilian Community Corps Demonstration Program; to the Committee on Armed Services.

By Mr. DECONCINI:

S. 234. A bill to prohibit the use of United States Government aircraft for political or personal travel, limit certain benefits for senior Government officers, and for other purposes; to the Committee on Governmental Affairs.

By Mr. REID (for himself, Mr. BRYAN, Mr. INOUE, Mr. STEVENS, and Mr. BUMPERS):

S. 235. A bill to limit State taxation of certain pension income, and for other purposes; to the Committee on Finance.

By Mr. MCCAIN:

S. 236. A bill to increase Federal payments to units of general local government for entitlement lands, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. PRESSLER:

S. 237. A bill to create the National Network Security Board as an independent government agency, located within the Federal Communications Commission, to promote telecommunications network security and reliability by conducting independent network outage investigations and by formulating security improvement recommendations; to the Committee on Commerce, Science, and Transportation.

S. 238. A bill to require the Federal Communications Commission to report annually to Congress regarding the security reliability of the Nation's telecommunications network; to the Committee on Commerce, Science, and Transportation.

By Mr. BOREN (for himself, Mr. SIMON, Mr. INOUE, Mr. REID, Mr. DASCHLE, Mr. PRYOR, and Mr. LEVIN):

S. 239. A bill to provide grants to States for the establishment of community works progress programs; to the Committee on Labor and Human Resources.

By Mr. BUMPERS:

S. 240. A bill to accelerate implementation of loan forgiveness incentives for student borrowers who perform certain full-time, low-paid national community service; to the Committee on Labor and Human Resources.

By Mr. PRYOR (for himself, Mr. PACKWOOD, Mr. BOREN, Mr. COHEN, Mr. GLENN, Mr. BRYAN, Mr. CONRAD, and Mr. LEAHY):

S. 241. A bill to provide incentives to health care providers serving rural areas, to provide grants to county health departments providing preventative health services within rural areas, to establish State health service corps demonstration projects, and for other purposes; to the Committee on Finance.

By Mr. PRYOR (for himself, Mr. GLENN, Mr. BRYAN, and Mr. COHEN):

S. 242. A bill to amend title XVIII of the Social Security Act to require the Secretary of Health and Human Services to consult with State medical societies in revising the geographic adjustments factors used to determine the amount of payment for physicians' services under part B of the medicare program, to require the Secretary to base geographic-cost-of-practice indices under the program upon the most recent available data, and for other purposes; to the Committee on Finance.

By Mr. PRYOR (for himself, Mr. ROCKEFELLER, and Mr. BOREN):

S. 243. A bill to amend title XVIII of the Social Security Act to extend the provision relating to medicare-dependent, small rural hospitals, and for other purposes; to the Committee on Finance.

By Mr. KENNEDY (for himself, Mr. JEFFORDS, Mr. DODD, Mr. METZENBAUM, Mr. DECONCINI, Mr. SIMON, Mr. HARKIN, Mr. KERRY, Mr. BRADLEY, Mr. KOHL, Mr. INOUE, Mr. WELLSTONE, Ms. MIKULSKI, Mr. PELL, and Mr. MCCAIN):

S. 244. A bill to stimulate enterprise development in economically distressed urban and rural areas through public and private partnerships facilitated by community development corporations, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. SPECTER:

S. 245. A bill to establish a National Commission on Educational Readiness; to the Committee on Labor and Human Resources.

S. 246. A bill to provide expedited procedures for the consideration of habeas corpus petitions in capital cases; to the Committee on the Judiciary.

S. 247. A bill to establish constitutional procedures for the imposition of the death penalty for certain Federal offenses; to the Committee on the Judiciary.

S. 248. A bill to establish constitutional procedures for the imposition of the death penalty for terrorist murders; to the Committee on the Judiciary.

By Mr. EXON:

S.J. Res. 25. A joint resolution proposing an amendment to the Constitution relating to Federal Budget Procedures; to the Committee on the Judiciary.

By Mr. DECONCINI (for himself and Mr. THURMOND):

S.J. Res. 26. A joint resolution proposing an amendment to the Constitution relating to a Federal balanced budget; to the Committee on the Judiciary.

By Mr. MOYNIHAN (for himself and Mr. SASSER):

S.J. Res. 27. A joint resolution providing for the appointment of Hanna Holburn Gray as a citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on Rules and Administration.

S.J. Res. 28. A joint resolution to provide for the appointment of Barber B. Conable, Jr., as a citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on Rules and Administration.

S.J. Res. 29. A joint resolution providing for the appointment of Wesley Samuel Williams, Jr., as a citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on Rules and Administration.

#### SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. JOHNSTON:

S. Res. 39. An original resolution to authorize expenditures for the Committee on Energy and Natural Resources for the period March 1, 1993, through February 28, 1995; from the Committee on Energy and Natural Resources; to the Committee on Rules and Administration.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SMITH (for himself and Mr. GRAHAM):

S. 220. A bill to reimburse municipalities for tax liens which had been placed on forfeited property; to the Committee on the Judiciary.

#### MUNICIPALITIES REIMBURSEMENT ACT OF 1993

• Mr. SMITH. Mr. President, on behalf of Senator BOB GRAHAM and myself, I am today introducing legislation which would allow the Justice Department to reimburse municipalities for tax liens which had been placed on forfeited property.

Under current Federal forfeiture law, property forfeited to the Federal Government under U.S. drug laws is

deemed to have been forfeited from the day the property was first used for the unlawful purpose. This may make sense as an effort to discourage banks and other commercial enterprises from dealing with persons they suspect of being drug kingpins. But it makes considerably less sense when dealing with States, counties, towns, and municipalities who have considerably less control over persons and businesses which may be within their jurisdictions.

This problem was brought to my attention because a number of jurisdictions in my State of New Hampshire, including Dorchester, Salem, and Concord, have seen their revenues decline substantially as a result of this unintended inequity in the law.

Last year, after extensive negotiations between the Justice Department and Republicans and Democrats on the Judiciary Committee, we reached an agreement which I believe was acceptable to all interested parties. This agreement is embodied in the language which we are today introducing.

Mr. President, at least one jurisdiction in my State has seen over 10 percent of its revenue base eliminated as a result of what I am assured was an unintended consequence of Federal forfeiture law. This issue may not be a momentous national issue such as the deficit, starvation in Somalia, or the health care crisis. But for that little town, struggling to pay its bills, this is the most important issue in the world.

So, Mr. President, I will work with Senator GRAHAM and the bipartisan leadership of the Judiciary Committee to add this proposal to the first logical legislative vehicle to be considered by the Senate. I trust that, a few months from now, this unfortunate anomaly of the law will be only a memory. •

By Mr. METZENBAUM: (for himself and Mr. HATFIELD):

S. 221. A bill to allow a prisoner under sentence of death to obtain judicial review of newly discovered evidence showing that he is probably innocent; to the Committee on the Judiciary.

DEATH PENALTY JUDICIAL REVIEW ACT OF 1993

Mr. METZENBAUM. Mr. President, after 200 years as the world's greatest constitutional democracy I believe Americans agree on one simple principle—the Constitution forbids the execution of innocent people. Apparently a majority of the Supreme Court do not share that view. On Monday, the Court decided that our Constitution does not prohibit the execution of a person who has been convicted and sentenced to death, but who may be able to prove his or her innocence with newly discovered evidence.

Whether you support or oppose the death penalty, surely we all agree that our laws must require that evidence of guilt be solid and reliable before the

State carries out an execution. When newly discovered evidence comes forward that indicates a death row inmate is probably innocent, our Federal courts should and must intervene to stop the execution.

I am appalled that the Supreme Court's decision undermines this principle. The Court held that a State prisoner who claims he has new evidence of his innocence is not entitled to have that claim reviewed in a Federal proceeding. The Court states that such a claim should be raised with a Governor in a petition for executive clemency. In other words, the doors to the courthouse are closed, shut—finished. Persons facing execution who have new evidence of their innocence are forced to rely on the mercy of a single man or woman to spare their lives, just like the defeated gladiators in ancient Rome.

The Government's execution of an innocent person is the ultimate arbitrary deprivation from which one never recovers. It is final. It is decisive. It is all over. Justice Blackmun made the simple but obvious statement in his strong dissent that "The execution of a person who can show that he is innocent comes perilously close to simple murder."

Justice Blackmun once again is right on target. He is 100 percent right. "The execution of a person who can show that he is innocent comes perilously close to simple murder."

This great Nation should reject Chief Justice Rehnquist's conclusion that we should rely on the grace of elected officials to grant clemency to innocent persons on death row.

Does he not realize Governors run for political office? They are concerned about whether the people will like it or will not like it. Maybe the individual involved has been charged with and found guilty of a heinous crime and nobody wants to hear any more about it—put him away. But what if he is not guilty? What if there is new evidence that clearly indicates that he did not do it? And the Governor says, I do not want to hear about that—that is not for me.

Congress must act quickly to assure that a prisoner sentenced to death is entitled to raise a claim of actual innocence. Based on newly discovered evidence, in a Federal petition. Although I understand the desire for finality of criminal judgments, and I support that point of view, executions without adequate safeguards are unacceptable in a civilized society. How many times have we known of situations where individuals who were found guilty were executed and some years later somebody comes along and says, "I really did it."

I have spoken on the floor of this body over a period of years on that very subject when we were debating the issue of capital punishment. But this is not an issue of capital punish-

ment or noncapital punishment. This is a question of what is right and what is wrong, whether an innocent person or person has evidence which would indicate that he is not guilty and would have his opportunity to present that evidence to a court.

Congress must act now to prevent the execution of someone who can prove his innocence.

Today, I plan to introduce legislation which allows a prisoner sentenced to death to raise in Federal proceedings the claim of actual innocence based on newly discovered evidence.

Congress has always had the power to determine which types of cases are appropriate for Federal court review. This bill makes it clear that Federal judicial review will be available to a death row inmate who has new evidence of his or her innocence that is both solid and reliable. The bill relies upon a standard of review suggested by Justices Blackmun, Stevens, and Souter in their dissent.

It is ironic, and indeed almost tragic, that the Supreme Court would announce this callous and unfair decision just 1 day after the death of that magnificent, that wonderful human being, that great Jurist, Thurgood Marshall. Justice Marshall was the most tenacious persistent, and effective champion of equal justice and fundamental fairness ever to sit on the Supreme Court of the United States. He would not for a moment tolerate the outcome of the Herrera case, which was decided this week by the Supreme Court.

A decision which suggests the Supreme Court's willingness to condone the execution of innocent people, only underscores how much we will miss how much this Nation will miss Thurgood Marshall.

In my opinion, there was no greater giant fighting for civil liberties, fighting for all people, fighting for the underprivileged, fighting for the dispossessed, fighting for racial minorities than Thurgood Marshall.

The decision that was handed down this week is a reminder that we all must all continue to work to ensure that this Supreme Court does not succeed in its effort to dismantle his legacy.

Mr. President, I send the bill to the desk and ask unanimous consent that it be printed in the RECORD.

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

S. 221

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

Section 1651 of title 28, United States Code, is amended by adding at the end the following:

"(c)(1) At any time, and notwithstanding any other provision of law, a district court shall issue any appropriate writ or relief on behalf of an applicant under sentence of death, imposed either in federal or in state

court, who establishes that he is probably innocent of the offense for which the death sentence was imposed.

"(2) On receipt of an application filed pursuant to paragraph (1), a district court shall promptly stay the applicant's execution pending consideration of the application and, upon an unfavorable disposition, until the court's action is affirmed on direct review.

"(3) The court shall dismiss the application, unless it alleges facts, supported by sworn affidavits or documentary evidence, that—

"(A) could not have been discovered through the exercise of due diligence in time to be presented at trial; and

"(B) if proven, would establish that the applicant is probably innocent.

"(4) If the court determines that the applicant is currently entitled to pursue other available and effective remedies in either State or Federal court, the court shall suspend its consideration of the application under this section until the applicant has exhausted those remedies. The stay issued pursuant to paragraph (2) shall remain in effect during such a suspension."

By Mr. WELLSTONE:

S. 222. A bill to require the Commissioner of Food and Drugs to collect information regarding the drug RU-486 and review the information to determine whether to approve RU-486 for marketing as a new drug, and for other purposes; to the Committee on Labor and Human Resources.

ANTIPIROGESTIN TESTING ACT OF 1993

Mr. WELLSTONE. Mr. President, I am introducing legislation today that would require the Food and Drug Administration to act as if it had received a new drug application under the Federal Food, Drug, and Cosmetic Act—Food and Drug Act—for the pharmaceutical RU-486, also known as Mifepristone. The bill would require FDA to collect the same information on RU-486 that is normally required to be submitted by a manufacturer with a new drug application.

FDA would be required to collect and review information on the uses of RU-486 as an abortifacient and a contraceptive, and for the treatment of cancer, brain tumors, Cushings syndrome, or other serious or life-threatening diseases. Clinical trials abroad have already produced substantial documentation on the safety and efficacy of the drug as an abortifacient. More than 100,000 women in Europe have successfully used RU-486 as an abortifacient. Clinical trials on the use of RU-486 to treat breast cancer are ongoing.

Under the bill, if the information the FDA collects and reviews on RU-486 meets the criteria for approval of a new drug under the Food and Drug Act, the FDA would issue an order approving RU-486 for the uses for which it was considered. If RU-486 is not approved because it does not meet the criteria for approval in the Food and Drug Act, the bill would require the NIH expeditiously to conduct or support research, including clinical trials, to obtain the missing information or evidence. The

NIH would provide the resulting information to the FDA, which would then reevaluate whether to approve RU-486 for use in the United States.

The bill also requires that any company subsequently marketing RU-486 in the United States would have to reimburse the FDA in accordance with the fee schedule for review of new drug applications, and reimburse the FDA and the NIH for other expenses incurred in carrying out the requirements of the bill.

This legislation is necessary because women in the United States do not have the opportunity for access to RU-486 as do women in other countries, such as Great Britain and France. Reportedly because of the previous administration's hostility toward abortion, the manufacturer of RU-486 has not submitted a new drug application to FDA for any use of RU-486. The new administration has sent signals to RU-486's manufacturer that there is a new attitude in the United States toward abortion, and that women should have the opportunity to avail themselves of a nonsurgical alternative to abortion if they wish to do so. For example, on January 22, 1993, President Clinton issued memoranda directing the Secretary of Health and Human Services: First, to suspend the gag rule restricting discussion of abortion at clinics that receive Federal funds; second, to order the lifting of the moratorium on Federal funding of research involving transplantation of fetal tissue from induced abortions; and third, to require FDA to examine the validity of its import alert on RU-486 which prohibits individuals from importing RU-486 for their personal use.

Although the bill I have introduced would not require the marketing of RU-486, it would require the FDA to take necessary steps that could result in RU-486 being made available to women in the United States, within the FDA's guidelines for safety and efficacy. The legislation also is consistent with President Clinton's January 22, 1993, memorandum to the Secretary of HHS which directs her to "assess initiatives by which the Department of Health and Human Services can promote the testing, licensing, and manufacturing in the United States of RU-486 or other antiprogestins."

I ask unanimous consent that the text of the bill be printed at the conclusion of my statement.

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

S. 222

*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 "Antiprogestin Testing Act of 1993".

**SEC. 2. INFORMATION.**

(a) COLLECTION.—

(1) IN GENERAL.—The Commissioner of Food and Drugs (referred to in this section as the "Commissioner") shall, to the extent possible, collect information with respect to the drug RU-486, also known as Mifepristone, including samples and specimens, that is required to be submitted by an applicant for approval of a new drug, as described in section 505(b) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(b)).

(2) USES OF DRUG.—The Commissioner shall collect such information regarding—

(A) use of the drug as an abortifacient or contraceptive; and

(B) use of the drug for the treatment of cancer, brain tumors, Cushings syndrome, or other serious or life-threatening diseases.

(b) CONSIDERATION.—The Commissioner shall consider the information collected under subsection (a) with respect to the drug to be an application, submitted by the manufacturer of the drug, for approval of the drug for each of the uses described in subsection (a)(2).

(c) APPROVAL DECISION.—

(1) IN GENERAL.—The Commissioner shall review the information collected under subsection (a) as if the information comprised such an application. The Commissioner shall issue an order approving, or refusing to approve, the application with respect to each of the uses in accordance with subsections (c) and (d) of section 505 of such Act.

(2) REFUSAL TO APPROVE DUE TO INSUFFICIENT TESTS, INFORMATION, OR EVIDENCE.—

(A) NOTIFICATION OF DIRECTOR OF NATIONAL INSTITUTES OF HEALTH.—The Commissioner shall notify the Director of the National Institutes of Health (referred to in this section as the "Director") if the Commissioner issues an order refusing to approve the application because of—

(i) the lack of inclusion of adequate tests in the investigation of the drug, as described in section 505(d)(1) of such Act;

(ii) insufficient information, as described in section 505(d)(4) of such Act; or

(iii) a lack of substantial evidence, as described in section 505(d)(5) of such Act.

(B) INFORMATION.—On so notifying the Director, the Commissioner shall submit to the Director all information relevant to the decision of the Commissioner to issue such order. Such information shall include a description of the tests that were not included in the investigation, or a description of the information or evidence that was not submitted with the application.

(3) REPORT.—The Commissioner shall prepare, and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report concerning any order issued under paragraph (1).

(d) RESEARCH.—

(1) IN GENERAL.—If the Commissioner issues an order refusing to approve the application, the Director shall expeditiously conduct or support research (including clinical trials) on RU-486, in order to conduct the tests, or develop the information or evidence, described in subsection (c)(2)(B).

(2) INSTITUTIONAL REVIEW BOARDS AND PEER REVIEW.—Research conducted or supported under paragraph (1) shall be subject to sections 491 and 492 of the Public Health Service Act (42 U.S.C. 289 and 289a).

(3) RESULTS.—The Director shall submit the results of the research to the Commissioner. The Commissioner shall consider the results, along with the information collected under subsection (a) with respect to the drug, to be information submitted by the

manufacturer of the drug as described in subsection (b), and shall review, and issue an order approving or refusing to approve, the application for the drug, in accordance with subsection (c).

(e) REPORT.—The Secretary of Health and Human Services shall prepare, and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report on the status of research conducted or supported under subsection (d) within 6 months of the date on which the Commissioner provides notification under subsection (c)(2)(A), and every 6 months thereafter until the research is completed.

#### SEC. 3. FEES AND COSTS.

If the Commissioner issues an order approving an application with respect to the drug RU-486 for a use described in section 2(a)(2), any person who introduces the drug into interstate commerce or delivers the drug for introduction into interstate commerce for such use shall reimburse—

- (1) the Food and Drug Administration for—
  - (A) the amount indicated in the fee schedule set forth in section 736 of the Federal Food, Drug, and Cosmetic Act; and
  - (B) the amount of the costs incurred by the Commissioner in complying with section 2(a); and
- (2) the National Institutes of Health for the amount of any costs incurred by the Director in complying with section 2(d).

By Mr. COHEN:

S. 223. A bill to contain health care costs and increase access to affordable health care, and for other purposes; to the Committee on Finance.

#### ACCESS TO AFFORDABLE HEALTH CARE ACT

Mr. COHEN. Mr. President, the reform of our Nation's health care system is, next to the economy, the most critical issue facing the 103d Congress.

We all agree that we are spending too much, that we are not spending wisely, and that too many people do not have access to the health care they need. The challenge is to design a plan which controls the high cost of medical care and expands access to care without compromising quality. How well we meet this challenge will be a key index by which the public measures our success or failure as a Congress.

The statistics on rising health care costs are staggering. The Commerce Department reported last week that health care costs climbed to almost \$840 billion last year—a record 14 percent of our gross national product. Total health care costs, which earlier were expected to top the trillion dollar mark by the turn of the century, now appear likely to hit that level as early as next year.

Clearly, this growth in health care costs cannot be sustained. Families, employers, and even governments are staggering under their weight.

As health care spending consumes a larger and larger share of the economy, fewer and fewer dollars will be left for crucial services such as education, transportation, housing, and for reduction of the national debt.

The problem is not simply that we are spending too much, but that we are

not getting an adequate return on our investment. Too many dollars are being spent on procedures of arguable or negligible value. Too few are being spent on primary and preventive services, such as prenatal care, mammograms, and childhood immunizations.

Rising health care costs have also created a dual system of care. The American health care system is the best in the world—but only for those who can afford it.

At the same time that health care spending is soaring, more and more Americans are being priced out of the market. As many as 37 million Americans—alarmingly, almost a third of them children—have no health insurance at all. Many more Americans are underinsured and would be sent into bankruptcy by a serious illness. And even more live in terror that they will lose their coverage if they become ill or change jobs.

The legislation I am introducing today, the Access to Affordable Health Care Act of 1993, builds upon my earlier efforts to reform our health care system and incorporates new elements to make fundamental structural changes in the health care market to ensure that every American has access to affordable, quality health care.

The debate over health care reform centers on two issues—access and cost. Although we are spending more dollars each day, access to care is declining as more and more Americans are priced out of the market.

Our Nation's skyrocketing health care costs and access problems are, in large part, driven by flaws in the health care marketplace.

Ironically, the very people who need care most are the ones who cannot get insurance. Rather than competing to deliver the best value for money, our Nation's insurance companies simply do everything they can to avoid risk. They offer great deals to large companies with young, healthy employees; but completely exclude anyone with a known health problem. In other words, the people who benefit most from the current system are the people least likely to need it.

Insurance companies must stop focusing on how to exclude sick people from coverage and start concentrating on how to make affordable coverage available for all Americans.

Just as the health care market excludes millions of vulnerable Americans, leaving them fully exposed to the risk of potentially catastrophic health care costs, it is also flawed in that it insulates hospitals, doctors, and people with good insurance coverage from the true cost of health care.

When health care bills are paid by a faceless third party—an insurance company or the Government—market forces have no chance to work. Neither the health care provider nor the patient has an incentive to hold down

costs. Doctors ordering tests or performing other services pay little attention to cost if they assume an insurance company is paying the bill.

For patients with benefit-rich, first dollar coverage, cost is no object. They carry the equivalent of tax free, unlimited expense accounts and are encouraged to order freely from the full menu of health care services, leading to overutilization of services which drives up health care costs.

The exclusion of employer-provided health benefits from taxable income—which, by the way, costs an estimated \$75 to \$85 billion a year—further distorts decisionmaking in the health care marketplace. Since they receive an open-ended Federal tax subsidy and since most are now given no meaningful choice between health care plans, workers with employer-provided benefits lack the incentive or the opportunity to comparison shop for better value for their health care dollar.

We have seen how competition has brought down procurement costs in the Department of Defense. The legislation I am introducing today relies upon this same principle to restructure the health care marketplace in order to contain costs and expand access to care.

For competition to be effective, the health care market must allow consumers to choose between competing health plans that offer comprehensive, standardized benefits, and that publicly report price and quality data.

In addition, this competition must be managed to guarantee a level playing field and to make certain that these health plans are competing on the basis of value rather than risk. In other words, health care plans should compete on the basis of being efficient and delivering the most value for dollar, and not simply because they have been more skillful at screening out high-risk participants.

The Access to Affordable Health Care Act restores competition to the health care system by requiring States to establish one or more large regional purchasing cooperatives through which all small businesses and individuals can purchase health insurance. This gives them more buying power and access to affordable coverage. Low-income and unemployed persons could also purchase insurance through these cooperatives, with their premiums subsidized or covered by refundable tax credits. States would also be given the option of enrolling Medicaid beneficiaries in these purchasing cooperatives.

The plan emphasizes the principles of individual responsibility and informed consumer choice. Each year the purchasing cooperatives would contract with a range of competing health plans and would present this full range of plans to their customers. Individual customers would be given complete information about the plans, including a

report card on each plan's performance, measuring both cost and quality of care. Customers would then choose the plan they believed delivered the best value for money.

Participating plans would offer standardized benefit packages, emphasizing primary and preventive care. Only approved plans would qualify for tax breaks, and any tax deductions or credits would be capped at the amount of the lowest cost approved plan offered in the region. A plan could offer supplemental coverage for additional services, but the consumer would have to pay the difference out of pocket and also would not get a tax break for the additional services.

Plans would have to take all applicants and would be guaranteed renewable. They could not exclude participants because of preexisting health conditions and also could not charge higher rates for individuals with a history of medical expenses.

Finally, annual limits would be set on premium increases so that insurers have an incentive to contain health care costs.

The proposal I am introducing today would also provide fairer tax treatment of health care expenses. Under current law, those purchasing insurance on their own receive absolutely no break, while employer-provided coverage is a tax-free benefit for those lucky enough to have it. Additionally, while businesses can deduct a full 100 percent of their health benefit costs, the self-employed are only allowed a 25-percent deduction.

My proposal would make insurance coverage more affordable for low- and middle-income individuals by providing a refundable tax credit to those without employer-provided insurance. The amount of the refundable tax credit would be directly linked to the cost of a basic benefit plan sold through the regional cooperative, allowing low- and middle-income persons to be able to afford the cost of health insurance premiums.

Likewise, employers could only deduct benefit costs up to the level of a basic benefit plan, and employer-provided benefits in excess of this amount would be taxed as income. All self-employed persons and individuals ineligible for the tax credit would be allowed a tax deduction equal to 100 percent of the cost of a basic benefit plan.

In addition, my proposal includes a complete package of reforms to increase access to care in underserved rural and inner-city neighborhoods. It also includes provisions to:

Encourage hospitals to share costly high technology equipment and services to contain costs and increase access to care;

Expand school and worksite programs to promote good health and prevent disease;

Increase funding for outcomes research to establish which drugs and

procedures are most effective under which circumstances to improve quality of care and eliminate the costly practice of defensive medicine;

Reduce administrative costs by replacing the more than 1,100 insurance forms that clog the system with a simplified, standardized electronic claims processing system;

Encourage malpractice reform; and  
Contain the skyrocketing costs of prescription drugs.

Finally, the bill provides the financing necessary to ensure that its provisions are fully funded and do not add to the Federal deficit.

Mr. President, many people have been misled into believing that there is some magic formula, some simple solution that will enable every American to receive unlimited quality care on demand and never see a health care bill.

This is simply not possible. There is no silver bullet.

The approach to health care reform I am advocating does not come without sacrifice. Patients may not always have unlimited choice of health care providers and services, and it will mean tax increases for individuals with generous health benefit plans who choose not to forgo the additional coverage. However, these reforms will contain health care costs and make our health care system more equitable so that millions more Americans have access to affordable health care coverage.

Mr. President, I believe that the principles embodied in the Access to Affordable Health Care Act lay the foundation upon which to build a national consensus on health care reform. I urge my colleagues to join me as cosponsors and ask unanimous consent to include a detailed summary as well as the text of the legislation in the CONGRESSIONAL RECORD.

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

S. 223

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Access to Affordable Health Care Act".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

#### Sec. 2. Definitions.

#### TITLE I—MANAGED COMPETITION IN HEALTH CARE PLANS

#### Sec. 100. Block grant program.

##### Subtitle A—Health Plan Purchasing Cooperatives

Sec. 101. Establishment and organization; HPPC areas.

Sec. 102. Agreements with accountable health plans (AHPs).

Sec. 103. Agreements with employers.

Sec. 104. Enrolling individuals in accountable health plans through a HPPC.

Sec. 105. Receipt of premiums.

Sec. 106. Coordination among HPPCs.

#### Subtitle B—Accountable Health Plans (AHPs)

#### PART 1—REQUIREMENTS FOR ACCOUNTABLE HEALTH PLANS

Sec. 111. Registration process; qualifications.

Sec. 112. Specified uniform set of effective benefits.

Sec. 113. Collection and provision of standardized information.

Sec. 114. Prohibition of discrimination based on health status for certain conditions; limitation on pre-existing condition exclusions.

Sec. 115. Use of standard premiums.

Sec. 116. Financial solvency requirements.

Sec. 117. Grievance mechanisms; enrollee protections; written policies and procedures respecting advance directives; agent commissions.

Sec. 118. Additional requirements of open AHPs.

Sec. 119. Additional requirement of certain AHPs.

#### PART 2—PREEMPTION OF STATE LAWS FOR ACCOUNTABLE HEALTH PLANS

Sec. 120. Preemption from State benefit mandates.

Sec. 121. Preemption of State law restrictions on network plans.

Sec. 122. Preemption of State laws restricting utilization review programs.

#### Subtitle C—Federal Health Board

Sec. 131. Establishment of Federal Health Board.

Sec. 132. Specification of uniform set of effective benefits.

Sec. 133. Health benefits and data standards board.

Sec. 134. Health plan standards board.

Sec. 135. Registration of accountable health plans.

Sec. 136. Specification of risk-adjustment factors.

Sec. 137. National health data system.

Sec. 138. Measures of quality of care of specialized centers of care.

Sec. 139. Report on impact of adverse selection; recommendations on mandated purchase of coverage.

#### TITLE II—TAX INCENTIVES TO INCREASE HEALTH CARE ACCESS

Sec. 201. Credit for accountable health plan costs.

Sec. 202. No deduction for employer health plan expenses in excess of accountable health plan costs.

Sec. 203. Increase in deduction for health plan premium expenses of self-employed individuals.

Sec. 204. Deduction for health plan premium expenses of individuals.

Sec. 205. Exclusion from gross income for employer contributions to accountable health plans.

#### TITLE III—OUTCOMES RESEARCH AND PRACTICE GUIDELINE DEVELOPMENT; APPLICATION OF GUIDELINES AS LEGAL STANDARD

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Sec. 701. Disease prevention and health promotion programs treated as medical care.

Sec. 702. Worksite wellness grant program.  
 Sec. 703. Expanding and improving school health education.

**TITLE VIII—PRESCRIPTION DRUG COST CONTAINMENT**

Sec. 801. Reduction in possessions tax credit for excessive pharmaceutical inflation.

**TITLE IX—FINANCING**

Sec. 901. Repeal of dollar limitation on amount of wages subject to hospital insurance tax.

**SEC. 2. DEFINITIONS.**

(a) **ELIGIBILITY.**—As used in this Act:

(1) **ELIGIBLE INDIVIDUAL.**—The term "eligible individual" means, with respect to a HPPC area, an individual who—

(A) is an eligible employee;

(B) is an eligible resident; or

(C) an eligible family member of an eligible employee or eligible resident.

(2) **ELIGIBLE EMPLOYEE.**—The term "eligible employee" means, with respect to a HPPC area, an individual residing in the area who is the employee of a small employer.

(3) **ELIGIBLE FAMILY MEMBER.**—The term "eligible family member" means, with respect to an eligible employee or other principal enrollee, an individual who—

(A)(i) is the spouse of the employee or principal enrollee; or

(ii) is an unmarried dependent child under 22 years of age; including—

(I) an adopted child or recognized natural child; and

(II) a stepchild or foster child but only if the child lives with the employee or principal enrollee in a regular parent-child relationship;

or such an unmarried dependent child regardless of age who is incapable of self-support because of mental or physical disability which existed before age 22;

(B) is a citizen or national of the United States, an alien lawfully admitted to the United States for permanent residence, or an alien otherwise lawfully residing permanently in the United States under color of law; and

(C) with respect to an eligible resident, is not a medicare-eligible individual.

(4) **ELIGIBLE RESIDENT.**—

(A) **IN GENERAL.**—The term "eligible resident" means, with respect to a HPPC area, an individual who is not an eligible employee, is residing in the area, and is a citizen or national of the United States, an alien lawfully admitted for permanent residence, and an alien otherwise permanently residing in the United States under color of law.

(B) **EXCLUSION OF CERTAIN INDIVIDUALS OFFERED COVERAGE THROUGH A LARGE EMPLOYER.**—The term "eligible resident" does not include an individual who—

(i) is covered under an AHP pursuant to an offer made under section 105(b)(1)(A); or

(ii) could be covered under an AHP as the principal enrollee pursuant to such an offer if such offer had been accepted.

(C) **TREATMENT OF MEDICARE BENEFICIARIES.**—The term "eligible resident" does not include a medicare-eligible beneficiary.

(5) **ENROLLEE UNIT.**—The term "enrollee unit" means one unit in the case of coverage on an individual basis or in the case of coverage on a family basis.

(6) **MEDICARE BENEFICIARY.**—The term "medicare beneficiary" means an individual who is entitled to benefits under part A of title XVIII of the Social Security Act, including an individual who is entitled to such benefits pursuant to an enrollment under section 1818 or 1818A of such Act.

(7) **MEDICARE-ELIGIBLE INDIVIDUAL.**—The term "medicare-eligible individual" means an individual who—

(A) is a medicare beneficiary; or

(B) is not a medicare beneficiary but is eligible to enroll under part A or part B of title XVIII of the Social Security Act.

(b) **ABBREVIATIONS.**—As used in this Act:

(1) **AHP; ACCOUNTABLE HEALTH PLAN.**—The terms "accountable health plan" and "AHP" mean a health plan registered with the Board under section 111(a).

(2) **BOARD.**—The term "Board" means the Federal Health Board established under subtitle C of title I.

(3) **HPPC; HEALTH PLAN PURCHASING COOPERATIVE.**—The terms "health plan purchasing cooperative" and "HPPC" mean a health plan purchasing cooperative established under subtitle A of title I.

(4) **CLOSED AND OPEN PLANS.**—

(A) **CLOSED.**—A plan is "closed" if the plan is limited by structure or law to a particular employer or industry or is organized on behalf of a particular group. A plan maintained pursuant to one or more collective bargaining agreements between one or more employee organizations and one or more employers shall be considered to be a closed plan.

(B) **OPEN.**—A plan is "open" if the plan is not closed (within the meaning of subparagraph (A)).

(c) **OTHER TERMS.**—As used in this Act:

(1) **HEALTH PLAN.**—The term "health plan" means a plan that provides health benefits, whether directly, through insurance, or otherwise, and includes a policy of health insurance, a contract of a service benefit organization, or a membership agreement with a health maintenance organization or other prepaid health plan, and also includes an employee welfare benefit plan or a multiple employer welfare plan (as such terms are defined in section 3 of the Employee Retirement Income Security Act of 1974).

(2) **SMALL EMPLOYER.**—

(A) **IN GENERAL.**—Subject to subparagraph (B), the term "small employer" means an employer that normally employed fewer

than 100 employees during a typical business day in the previous year.

(B) **SPECIAL RULE FOR LARGE EMPLOYERS.**—Subject to subparagraph (C), the Board shall provide a procedure by which, in the case of an employer that is not a small employer but normally employs fewer than 100 employees in a HPPC area (or other locality identified by the Board) during a typical business day, the employer, upon application, would be considered to be a small employer with respect to such employees in the HPPC area (or other locality). Such procedure shall be designed so as to prevent the adverse selection of employees with respect to which the previous sentence is applied.

(C) **STATE ELECTION.**—Subject to section 101(a)(3), a State may by law, with respect to employers in the State, substitute for "100" in subparagraphs (A) and (B) any greater number (not to exceed 10,001), so long as such number is applied uniformly to all employers in a HPPC area.

(3) **HPPC STANDARD PREMIUM AMOUNT.**—The term "HPPC standard premium amount" means, with respect to an AHP offered by a HPPC, the sum of—

(A) the standard premium amount established by the AHP under section 115, and

(B) the HPPC overhead amount established under section 104(a)(3).

(4) **PREMIUM CLASS.**—The term "premium class" means a class established under section 115(a)(2).

(5) **STATE.**—The term "State" includes the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands.

(6) **TYPE OF ENROLLMENT.**—There are 4 "types of enrollment":

(A) Coverage only of an individual (referred to in this Act as enrollment "on an individual basis");

(B) Coverage of an individual and the individual's spouse.

(C) Coverage of an individual and one child.

(D) Coverage of an individual and more than one eligible family member.

The types of coverage described in subparagraphs (B) through (D) are collectively referred to in this Act as enrollment "on a family basis".

(7) **UNIFORM SET OF EFFECTIVE BENEFITS.**—The term "uniform set of effective benefits" means, for a year, such set of benefits as specified by the Board under section 132(a).

**TITLE I—MANAGED COMPETITION IN HEALTH CARE PLANS**

**SEC. 100. BLOCK GRANT PROGRAM.**

(a) **IN GENERAL.**—The Secretary shall award grants to States to enable such State to defray the costs associated with the implementation and administration of the requirements of this title in such States.

(b) **AMOUNT OF GRANTS.**—The amount of a grant awarded to a State under this section shall be determined by the Secretary according to a formula developed by the Secretary to take into consideration the population, health care availability, and geographic make-up of the State as compared to other States.

(c) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to enable the Secretary to award grants under subsection (a), such sums as may be necessary for each fiscal year.

**Subtitle A—Health Plan Purchasing Cooperatives**

**SEC. 101. ESTABLISHMENT AND ORGANIZATION; HPPC AREAS.**

(a) **HPPC AREAS.**—

(1) IN GENERAL.—For purposes of carrying out this title, subject to paragraphs (2) and (3), each State shall be considered a HPPC area.

(2) ALTERNATIVE, INTRASTATE AREAS.—Each State may provide for the division of the State into HPPC areas so long as—

(A) all portions of each metropolitan statistical area in a State are within the same HPPC area; and

(B) the number of individuals residing within a HPPC area is not less than 100,000.

(3) ALTERNATIVE, INTERSTATE AREAS.—In accordance with rules established by the Board, one or more contiguous States may provide for the establishment of a HPPC area that includes adjoining portions of the States so long as such area, if it includes any part of a metropolitan statistical area, includes all of such area. In the case of a HPPC serving a multi-state area, section 2(c)(2)(C) shall only apply to the area if all the States encompassed in the area agree to the number to be substituted.

(b) ESTABLISHMENT OF HPPCS.—

(1) IN GENERAL.—Each State shall provide, by legislation or otherwise, for the establishment by not later than July 1, 1994, as a not-for-profit corporation, with respect to each HPPC area (specified under subsection (a)) of a health plan purchasing cooperative (each in this subtitle referred to as a "HPPC").

(2) SINGLE ORGANIZATION SERVING MULTIPLE HPPC AREAS.—Nothing in this subsection shall be construed as preventing—

(A) a single corporation from being the HPPC for more than one HPPC area; or

(B) a State from coordinating, through a single entity, the activities of one or more HPPCs in the State.

(3) INTERSTATE HPPC AREAS.—HPPCs with respect to interstate areas specified under subsection (a)(3) shall be established in accordance with rules of the Board.

(c) BOARD OF DIRECTORS.—Each HPPC shall be governed by a Board of Directors appointed by the Governor or other chief executive officer of the State (or as otherwise provided under State law or by the Board in the case of a HPPC described in subsection (b)(3)).

(d) DUTIES OF HPPCS.—Each HPPC shall—

(1) enter into agreements with accountable health plans under section 102;

(2) enter into agreements with small employers under section 103;

(3) enroll individuals under accountable health plans, in accordance with section 104;

(4) receive and forward adjusted premiums, in accordance with section 105, including the reconciliation of low-income assistance among accountable health plans;

(5) provide for coordination with other HPPCs, in accordance with section 106; and

(6) carry out other functions provided for under this title.

**SEC. 102. AGREEMENTS WITH ACCOUNTABLE HEALTH PLANS (AHPs).**

(a) AGREEMENTS.—

(1) OPEN AHPs.—Each HPPC for a HPPC area shall enter into an agreement under this section with each open accountable health plan registered with the Board under subtitle B, that serves residents of the area. Each such agreement under this section, between an open AHP and a HPPC shall include (as specified by the Board) provisions consistent with the requirements of the succeeding subsections of this section. Except as provided in paragraph (3)(A), a HPPC may not refuse to enter into such an agreement with an open AHP which is registered with the Board under subtitle B.

(2) CLOSED AHPs.—Each HPPC for a HPPC area shall enter into a special agreement

under this paragraph with each closed AHP that serves residents of the area, in order to carry out subsection (e). Except as otherwise specifically provided, any reference in this Act to an agreement under this section shall not be considered to be a reference to an agreement under this paragraph.

(3) TERMINATION OF AGREEMENT.—In accordance with regulations of the Board—

(A) the HPPC may terminate an agreement under paragraph (1) if the AHP's registration under subtitle B is terminated or for other good cause shown; and

(B) the AHP may terminate either such agreement only upon sufficient notice in order to provide for the orderly enrollment of enrollees under other AHPs.

The Board shall establish a process for the termination of agreements under this paragraph.

(b) OFFER OF ENROLLMENT OF INDIVIDUALS.—

(1) IN GENERAL.—Under an agreement under this section between an AHP and a HPPC, the HPPC shall offer, on behalf of the AHP, enrollment in the AHP to eligible individuals (as defined in section 2(a)(1)) at the applicable monthly premium rates (specified under section 105(a)).

(2) TIMING OF OFFER.—The offer of enrollment shall be available—

(A) to eligible individuals who are employees of small employers, during the 30-day period beginning on the date of commencement of employment; and

(B) to other eligible individuals, at such time (including an annual open enrollment period specified by the Board) as the HPPC shall specify, consistent with section 104(b).

(c) RECEIPT OF GROSS PREMIUMS.—

(1) IN GENERAL.—Under an agreement under this section between a HPPC and an AHP, payment of premiums shall be made, by individuals or employers on their behalf, directly to the HPPC for the benefit of the AHP.

(2) TIMING OF PAYMENT OF PREMIUMS.—Premiums shall be payable on a monthly basis (or, at the option of an eligible individual described in section 2(a)(2)(B), on a quarterly basis). The HPPC may provide for penalties and grace periods for late payment.

(3) AHPs RETAIN RISK OF NONPAYMENT.—Nothing in this subsection shall be construed as placing upon a HPPC any risk associated with failure to make prompt payment of premiums (other than the portion of the premium representing the HPPC overhead amount). Each eligible individual who enrolls with an AHP through the HPPC is liable to the AHP for premiums.

(d) FORWARDING OF ADJUSTED PREMIUMS.—

(1) IN GENERAL.—Under an agreement under this section between an AHP and a HPPC, subject to section 115(b), the HPPC shall forward to each AHP in which an eligible individual has been enrolled an amount equal to the sum of—

(A) the standard premium rate (established under section 115) received for type of enrollment; and

(B) the product of—

(i) the lowest standard premium rate offered by an open AHP for the type of enrollment; and

(ii) a risk-adjustment factor (determined and adjusted in accordance with section 136(b)).

(2) PAYMENTS.—Payments shall be made by the HPPC under this subsection within a period (specified by the Board and not to exceed 7 days) after receipt of the premium from the employer of the eligible individual or the eligible individual, as the case may be.

(3) ADJUSTMENTS FOR DIFFERENCES IN NONPAYMENT RATES.—In accordance with rules established by the Board, each agreement between an AHP and a HPPC under this section shall provide that, if a HPPC determines that the rates of nonpayment of premiums during grace periods established under subsection (c)(2) vary appreciably among AHPs, the HPPC shall provide for such adjustments in the payments made under this subsection as will place each AHP in the same position as if the rates of nonpayment were the same.

**SEC. 103. AGREEMENTS WITH EMPLOYERS.**

(a) IN GENERAL.—Each HPPC for a HPPC area shall offer each small employer that employs individuals in the area the opportunity to enter into an agreement under this section. Each agreement under this section, between an employer and a HPPC shall include (as specified by the Board) provisions consistent with the requirements specified in the succeeding subsections of this section.

(b) FORWARDING INFORMATION ON ELIGIBLE EMPLOYEES.—

(1) IN GENERAL.—Under an agreement under this section between a small employer and a HPPC, the employer must forward to the appropriate HPPC the name and address (and other identifying information required by the HPPC) of each employee (including part-time and seasonal employees).

(2) APPROPRIATE HPPC.—In this subsection, the term "appropriate HPPC" means the HPPC for the principal place of business of the employer or (at the option of an employee) the HPPC serving the place of residence of the employee.

(c) PAYROLL DEDUCTION.—

(1) IN GENERAL.—Under an agreement under this section between a small employer and a HPPC, if the HPPC indicates to the employer that an eligible employee is enrolled in an AHP through the HPPC, the employer shall provide for the deduction, from the employee's wages or other compensation, of the amount of the premium due (less any employer contribution). In the case of an employee who is paid wages or other compensation on a monthly or more frequent basis, an employer shall not be required to provide for payment of amounts to a HPPC other than at the same time at which the amounts are deducted from wages or other compensation. In the case of an employee who is paid wages or other compensation less frequently than monthly, an employer may be required to provide for payment of amounts to a HPPC on a monthly basis.

(2) ADDITIONAL PREMIUMS.—If the amount withheld under paragraph (1) is not sufficient to cover the entire cost of the premiums, the employee shall be responsible for paying directly to the HPPC the difference between the amount of such premiums and the amount withheld.

(d) LIMITED EMPLOYER OBLIGATIONS.—Nothing in this section shall be construed as—

(1) requiring an employer to provide directly for enrollment of eligible employees under an accountable health plan or other health plan;

(2) requiring the employer to make, or preventing the employer from making, information about such plans available to such employees; or

(3) requiring the employer to make, or preventing the employer from making, an employer contribution for coverage of such individuals under such a plan.

**SEC. 104. ENROLLING INDIVIDUALS IN ACCOUNTABLE HEALTH PLANS THROUGH A HPPC.**

(a) IN GENERAL.—Each HPPC shall offer in accordance with this section eligible individ-

uals the opportunity to enroll in an AHP for the HPPC area in which the individual resides.

(b) ENROLLMENT PROCESS.—

(1) IN GENERAL.—Each HPPC shall establish an enrollment process in accordance with rules established by the Board consistent with this subsection.

(2) INITIAL ENROLLMENT PERIOD.—Each eligible individual, at the time the individual first becomes an eligible individual in a HPPC area of a HPPC, have an initial enrollment period (of not less than 30 days) in which to enroll in an AHP.

(3) GENERAL ENROLLMENT PERIOD.—Each HPPC shall establish an annual period, of not less than 30 days, during which eligible individuals may enroll in an AHP or change in the AHP in which the individual is enrolled.

(4) SPECIAL ENROLLMENT PERIODS.—In the case of individuals who—

(A) through marriage, divorce, birth or adoption of a child, or similar circumstances, experience a change in family composition; or

(B) experience a change in employment status (including a significant change in the terms and conditions of employment);

each HPPC shall provide for a special enrollment period in which the individual is permitted to change the individual or family basis of coverage or the AHP in which the individual is enrolled. The circumstances under which such special enrollment periods are required and the duration of such periods shall be specified by the Board.

(5) TRANSITIONAL ENROLLMENT PERIOD.—Each HPPC shall provide for a special transitional enrollment period (during a period beginning in the months of October through December of 1994 as specified by the Board) during which eligible individuals may first enroll.

(c) DISTRIBUTION OF COMPARATIVE INFORMATION.—Each HPPC shall distribute, to eligible individuals and employers, information, in comparative form, on the prices, outcomes, enrollee satisfaction, and other information pertaining to the quality of the different AHPs for which it is offering enrollment. Each HPPC also shall make such information available to other interested persons.

(d) PERIOD OF COVERAGE.—

(1) INITIAL ENROLLMENT PERIOD.—In the case of an eligible individual who enrolls with an AHP through a HPPC during an initial enrollment period, coverage under the plan shall begin on such date (not later than the first day of the first month that begins at least 15 days after the date of enrollment) as the Board shall specify.

(2) GENERAL ENROLLMENT PERIODS.—In the case of an eligible individual who enrolls with an AHP through a HPPC during a general enrollment period, coverage under the plan shall begin on the 1st day of the 1st month beginning at least 15 days after the end of such period.

(3) SPECIAL ENROLLMENT PERIODS.—

(A) IN GENERAL.—In the case of an eligible individual who enrolls with an AHP during a special enrollment period described in subsection (b)(4), coverage under the plan shall begin on such date (not later than the first day of the first month that begins at least 15 days after the date of enrollment) as the Board shall specify, except that coverage of family members shall begin as soon as possible on or after the date of the event that gives rise to the special enrollment period.

(B) TRANSITIONAL SPECIAL ENROLLMENT PERIOD.—In the case of an eligible individual

who enrolls with an AHP during the transitional special enrollment period described in subsection (b)(5), coverage under the plan shall begin on January 1, 1995.

(4) MINIMUM PERIOD OF ENROLLMENT.—In order to avoid adverse selection, each HPPC may require, consistent with rules of the National Board, that enrollments with AHPs be for not less than a specified minimum enrollment period (with exceptions permitted for such exceptional circumstances as the Board may recognize).

SEC. 105. RECEIPT OF PREMIUMS.

(a) ENROLLMENT CHARGE.—The amount charged by a HPPC for coverage under an AHP in a HPPC area is equal to the sum of—

(1) the standard premium rate established by the AHP under section 115 for such coverage; and

(2) the HPPC overhead amount established under subsection (b)(3) for enrollment of individuals in the HPPC area.

(b) HPPC OVERHEAD AMOUNT.—

(1) HPPC BUDGET.—Each HPPC shall establish a budget for each year for each HPPC area in accordance with regulations established by the Board.

(2) HPPC OVERHEAD PERCENTAGE.—The HPPC shall compute for each HPPC area an overhead percentage which, when applied to the standard premium amount for individual coverage for each enrollee unit, will provide for revenues equal to the budget for the HPPC area for the year. Such percentage may in no case exceed 5 percentage points.

(3) HPPC OVERHEAD AMOUNT.—The HPPC overhead amount for enrollment, whether on an individual or family basis, in an AHP for a HPPC area for a month is equal to the applicable HPPC overhead percentage (computed under paragraph (2)) multiplied by the standard premium amount for individual coverage under the AHP for the month.

SEC. 106. COORDINATION AMONG HPPCS.

(a) IN GENERAL.—The Board shall establish rules consistent with this section for coordination among HPPCs in cases where small employers are located in one HPPC area and their employees reside in a different HPPC area (and are eligible for enrollment with AHPs located in the other area).

(b) COORDINATION RULES.—Under the rules established under subsection (a)(1)—

(1) HPPC FOR EMPLOYER.—The HPPC for the principal place of business of a small employer shall be responsible—

(A) for providing information to the employer's employees on AHPs for areas in which employees reside;

(B)(i) for enrolling employees under the AHP selected (even if the AHP selected is not in the same HPPC area as the HPPC) and (ii) if the AHP chosen is not in the same HPPC area as the HPPC, for forwarding the enrollment information to the HPPC for the area in which the AHP selected is located; and

(C) in the case of premiums to be paid through payroll deduction, to receive such premiums and forward them to the HPPC for the area in which the AHP selected is located.

(2) HPPC FOR EMPLOYEE RESIDENCE.—The HPPC for the HPPC area in which an employee resides shall be responsible for providing other HPPCs with information concerning AHPs being offered in other HPPC areas within the State.

Subtitle B—Accountable Health Plans (AHPs)

PART 1—REQUIREMENTS FOR ACCOUNTABLE HEALTH PLANS

SEC. 111. REGISTRATION PROCESS; QUALIFICATIONS.

(a) IN GENERAL.—The Board shall provide a process whereby a health plan (as defined in section 2(c)(1)) may be registered with the Board by its sponsor as an accountable health plan.

(b) QUALIFICATIONS.—In order to be eligible to be registered, a plan must—

(1) provide, in accordance with section 112, for coverage of the uniform set of effective benefits specified by the Board;

(2) provide, in accordance with section 113, for the collection and reporting to the Board of certain information regarding its enrollees and provision of services;

(3) not discriminate in enrollment or benefits, as required under section 114;

(4) establish standard premiums for the uniform set of effective benefits, in accordance with section 115;

(5) meet financial solvency requirements, in accordance with section 116;

(6) provide for effective grievance procedures and restrict certain physician incentive plans, in accordance with section 117; and

(7) in the case of an open plan (as defined in section 2(b)(4)(B)), meet certain additional requirements under section 118 (relating to acceptance of enrollees and participation as a plan under the medicare program under the Social Security Act and under the Federal employees health benefits program).

(c) MINIMUM SIZE FOR CLOSED PLANS.—No plan may be registered as a closed AHP under this section unless the plan covers at least a number of employees greater than the applicable number of employees specified in section 2(c)(2).

(d) MEDICARE REQUIREMENT.—No plan may be registered as an AHP under this section unless the plan—

(1) meets the requirement of section 118(c); or

(2) provides for payment of the medicare adjustment amount under section 119.

SEC. 112. SPECIFIED UNIFORM SET OF EFFECTIVE BENEFITS.

(a) BENEFITS.—The Board shall not accept the registration of a health plan as an accountable health plan unless, subject to subsection (b), the plan—

(1) offers only the uniform set of effective benefits, specified by Board under section 132(a);

(2) has entered into arrangements with a sufficient number and variety of providers to provide for its enrollees the uniform set of effective benefits without imposing cost-sharing in excess of the cost-sharing described in paragraph (3);

(3)(A) provides, subject to subsection (c), for imposition of uniform cost-sharing (such as deductibles and copayments), specified under such subsection as part of such set of benefits; and

(B) does not permit providers participating in the plan under paragraph (2) to charge for covered services amounts in excess of such cost-sharing; and

(4) provides, in the case of individuals covered under more than one accountable health plan, for coordination of coverage under such plans in an equitable manner.

(b) TREATMENT OF ADDITIONAL BENEFITS.—

(1) IN GENERAL.—Subject to paragraph (2), subsection (a) shall not be construed as preventing an AHP from offering benefits in addition to the uniform set of effective benefits or for reducing the cost-sharing below the

uniform cost-sharing, if such additional benefits or reductions in cost-sharing are offered, and priced, separately from the benefits described in subsection (a).

(2) NO DUPLICATIVE BENEFITS.—An AHP may not offer under paragraph (1) any additional benefits that has the effect of duplicating the benefits required under subsection (a).

**SEC. 113. COLLECTION AND PROVISION OF STANDARDIZED INFORMATION.**

(a) PROVISION OF INFORMATION.—

(1) IN GENERAL.—Each AHP must provide the Board (at a time, not less frequently than annually, and in an electronic, standardized form and manner specified by the Board) such information as the Board determines to be necessary, consistent with this subsection and section 137, to evaluate the performance of the AHP in providing the uniform set of effective benefits to enrollees.

(2) INFORMATION TO BE INCLUDED.—Subject to paragraph (3), information to be reported under this subsection shall include at least the following:

(A) Information on the characteristics of enrollees that may affect their need for use of health services.

(B) Information on the types of treatments and outcomes of treatments with respect to the clinical health, functional status, and well-being of enrollees.

(C) Information on enrollee satisfaction, based on standard surveys prescribed by the Board.

(D) Information on health care expenditures, volume and prices of procedures, and use of specialized centers of care (for which information is submitted under section 138).

(E) Information on the flexibility permitted by plans to enrollees in their selection of providers.

(3) SPECIAL TREATMENT.—The Board may waive the provision of such information under paragraph (2), or require such other information, as the Board finds appropriate in the case of newly established AHP for which such information is not available.

(b) CONDITIONING CERTAIN PROVIDER PAYMENTS.—

(1) IN GENERAL.—In order to assure the collection of all information required from the direct providers of services for which benefits are available through an AHP, each AHP may not provide payment for services (other than emergency services) furnished by a provider to meet the uniform set of effective benefits unless the provider has given the AHP (or has given directly to the National Board) standard information (specified by the Board) respecting the services.

(2) FORWARDING INFORMATION.—If information under paragraph (1) is given to the AHP, the AHP is responsible for forwarding the information to the Board.

**SEC. 114. PROHIBITION OF DISCRIMINATION BASED ON HEALTH STATUS FOR CERTAIN CONDITIONS; LIMITATION ON PRE-EXISTING CONDITION EXCLUSIONS.**

(a) IN GENERAL.—Except as provided under subsection (b), an AHP may not deny, limit, or condition the coverage under (or benefits of) the plan based on the health status, claims experience, receipt of health care, medical history, or lack of evidence of insurability, of an individual.

(b) TREATMENT OF PREEXISTING CONDITION EXCLUSIONS FOR SERVICES.—

(1) IN GENERAL.—Subject to the succeeding provisions of this subsection, an AHP may exclude coverage with respect to services related to treatment of a preexisting condition, but the period of such exclusion may not exceed 6 months beginning on the date of

coverage under the plan. The exclusion of coverage shall not apply to services furnished to newborns and to pregnant women.

(2) CREDITING OF PREVIOUS COVERAGE.—

(A) IN GENERAL.—An AHP shall provide that if an enrollee is in a period of continuous coverage (as defined in subparagraph (B)(i)) as of the date of initial coverage under such plan, any period of exclusion of coverage with respect to a preexisting condition for such services or type of services shall be reduced by 1 month for each month in the period of continuous coverage.

(B) DEFINITIONS.—As used in this paragraph:

(i) PERIOD OF CONTINUOUS COVERAGE.—The term "period of continuous coverage" means the period beginning on the date an individual is enrolled under an AHP (or, before July 1, 1994, under any health plan that provides benefits with respect to such services) and ends on the date the individual is not so enrolled for a continuous period of more than 3 months.

(ii) PREEXISTING CONDITION.—The term "preexisting condition" means, with respect to coverage under an AHP, a condition which has been diagnosed or treated during the 3-month period ending on the day before the first date of such coverage (without regard to any waiting period).

(3) LIMITATION.—This subsection shall not apply to treatment which is not within the uniform set of effective benefits.

**SEC. 115. USE OF STANDARD PREMIUMS.**

(a) STANDARD PREMIUMS FOR OPEN AHPs.—

(1) IN GENERAL.—Subject to subsection (b), each open AHP shall establish a standard premium for the uniform set of effective benefits within each HPPC area in which the plan is offered. The amount of premium applicable for all individuals within a premium class (established under paragraph (2)) is the standard premium amount multiplied by the premium class factor specified by the Board for that class under paragraph (2)(B). Within a HPPC area for individuals within a premium class, the standard premium for all individuals in the class shall be the same.

(2) PREMIUM CLASSES.—

(A) IN GENERAL.—The Board shall establish premium classes—

(i) based on types of enrollment (described in section 2(c)(6)); and

(ii) within each type of enrollment, based on age of principal enrollee.

In carrying out clause (ii), the Board shall establish reasonable age bands within which premium amounts will not vary for a type of enrollment.

(B) PREMIUM CLASS FACTORS.—

(i) IN GENERAL.—For each premium class established under subparagraph (A), the Board shall establish a premium class factor that reflects, subject to clause (ii), the relative actuarial value of benefits for that class compared to the actuarial value of benefits for an average class.

(ii) LIMIT ON VARIATION IN PREMIUM CLASS FACTORS.—The highest premium class factor may not exceed twice the lowest premium class factor and the weighted average of the premium class factors shall be 1.

(3) METHODOLOGY.—Standard premiums are subject to adjustment in accordance with section 102(d)(1).

(b) LIMITATION ON PREMIUM INCREASES.—

(1) BOARD ACTION.—The Board shall establish annual limits on the permissible percentage rate of increase for premiums with respect to AHP's providing the uniform set of effective benefits.

(2) INCREASES.—Annual increases in premiums for an AHP may not exceed the per-

centage limit established by the Board under paragraph (1).

**SEC. 116. FINANCIAL SOLVENCY REQUIREMENTS.**

(a) SOLVENCY PROTECTION.—

(1) FOR INSURED PLANS.—In the case of an AHP that is an insured plan (as defined by the Board) and is issued in a State, in order for the plan to be registered under this subtitle the Board must find that the State has established satisfactory protection of enrollees with respect to potential insolvency.

(2) FOR OTHER PLANS.—In the case of an AHP that is not an insured plan, the Board may require the plan to provide for such bond or provide other satisfactory assurances that enrollees under the plan are protected with respect to potential insolvency of the plan.

(b) PROTECTION AGAINST PROVIDER CLAIMS.—In the case of a failure of an AHP to make payments with respect to the uniform set of basic benefits, under standards established by the Board, an individual who is enrolled under the plan is not liable to any health care provider or practitioner with respect to the provision of health services within such uniform set for payments in excess of the amount for which the enrollee would have been liable if the plan were to have made payments in a timely manner.

**SEC. 117. GRIEVANCE MECHANISMS; ENROLLEE PROTECTIONS; WRITTEN POLICIES AND PROCEDURES RESPECTING ADVANCE DIRECTIVES; AGENT COMMISSIONS.**

(a) EFFECTIVE GRIEVANCE PROCEDURES.—

Each AHP shall provide for effective procedures for hearing and resolving grievances between the plan and individuals enrolled under the plan, which procedures meet standards specified by the Board.

(b) RESTRICTION ON CERTAIN PHYSICIAN INCENTIVE PLANS.—

(1) IN GENERAL.—A health plan may not be registered as an AHP if it operates a physician incentive plan (as defined in paragraph (2)) unless the requirements specified in clauses (i) through (iii) of section 1876(i)(8)(A) of the Social Security Act are met (in the same manner as they apply to eligible organizations under section 1876 of such Act).

(2) PHYSICIAN INCENTIVE PLAN DEFINED.—In this subsection, the term "physician incentive plan" means any compensation or other financial arrangement between the AHP and a physician or physician group that may directly or indirectly have the effect of reducing or limiting services provided with respect to individuals enrolled under the plan.

(c) WRITTEN POLICIES AND PROCEDURES RESPECTING ADVANCE DIRECTIVES.—A health plan may not be registered as an AHP unless the plan meets the requirements of section 1866(f) of the Social Security Act (relating to maintaining written policies and procedures respecting advance directives), insofar as such requirements would apply to the plan if the plan were an eligible organization.

(d) PAYMENT OF AGENT COMMISSIONS.—An AHP—

(1) may pay a commission or other remuneration to an agent or broker in marketing the plan to individuals or groups; but

(2) may not vary such remuneration based, directly or indirectly, on the anticipated or actual claims experience associated with the group or individuals to which the plan was sold.

**SEC. 118. ADDITIONAL REQUIREMENTS OF OPEN AHPs.**

(a) REQUIREMENT OF AGREEMENT WITH HPPC.—

In the case of a health plan which is an open plan (as defined in section

191(b)(4)(B)), in order to be registered as an AHP the plan must have in effect an agreement (described in section 102) with each HPPC for each HPPC area in which it is offered.

(b) REQUIREMENT OF OPEN ENROLLMENT.—

(1) IN GENERAL.—In the case of a health plan which is an open health plan, in order to be registered as an AHP the plan must, subject to paragraph (3), not reject the enrollment of any eligible individual whom a HPPC is authorized to enroll under an agreement referred to in subsection (a) if the individual applies for enrollment during an enrollment period.

(2) LIMITATION ON TERMINATION.—Subject to paragraph (3), coverage of eligible individuals under an open AHP may not be refused nor terminated except for—

- (A) nonpayment of premiums;
- (B) fraud or misrepresentation; or

(C) termination of the plan at the end of a year (after notice and in accordance with standards established by the Board).

(3) TREATMENT OF NETWORK PLANS.—

(A) GEOGRAPHIC LIMITATIONS.—

(i) IN GENERAL.—An AHP which is a network plan (as defined in subparagraph (D)) may deny coverage under the plan to an eligible individual who is located outside a service area of the plan, but only if such denial is applied uniformly, without regard to health status or insurability of individuals.

(ii) SERVICE AREAS.—The Board shall establish standards for the designation by network plans of service areas in order to prevent discrimination based on health status of individuals or their need for health services.

(B) SIZE LIMITS.—Subject to subparagraph (C), an AHP which is a network plan may apply to the Board to cease enrolling eligible individuals under the AHP (or in a service area of the plan) if—

(i) it ceases to enroll any new eligible individuals; and

(ii) it can demonstrate that its financial or administrative capacity to serve previously covered groups or individuals (and additional individuals who will be expected to enroll because of affiliation with such previously covered groups or individuals) will be impaired if it is required to enroll other eligible individuals.

(C) FIRST-COME-FIRST-SERVED.—A network plan is only eligible to exercise the limitations provided for in subparagraphs (A) and (B) if it provides for enrollment of eligible individuals on a first-come-first-served basis.

(D) NETWORK PLAN.—In this paragraph, the term "network plan" means an eligible organization (as defined in section 1876(b) of the Social Security Act) and includes a similar organization, specified in regulations of the Board, as requiring a limitation on enrollment of employer groups or individuals due to the manner in which the organization provides health care services.

(c) REQUIREMENT OF PARTICIPATION IN MEDICARE RISK-BASED CONTRACTING.—

(1) IN GENERAL.—In the case of a health plan which is an open health plan and which is an eligible organization (as defined in section 1876(b) of the Social Security Act), in order to be registered as an AHP the plan must enter into a risk-sharing contract under section 1876 of the Social Security Act for the offering of benefits to medicare beneficiaries in accordance with such section.

(2) EXPANSION OF MEDICARE SELECT PROGRAM.—Subsection (c) of section 4358 of the Omnibus Budget Reconciliation Act of 1990 (104 Stat. 1388-137) is amended by striking "only apply in 15 States" and all that fol-

lows through the end and inserting "on and after January 1, 1992."

(d) PARTICIPATION IN FEHBP.—

(1) IN GENERAL.—In the case of a health plan which is an open health plan, in order to be registered as an AHP the plan must have entered into an agreement with the Office of Personnel Management to offer a health plan to Federal employees and annuitants, and family members, under the Federal Employees Health Benefits Program under chapter 89 of title 5, United States Code, under the same terms and conditions offered by the AHP for enrollment of individuals and small employers through HPPCs.

(2) CHANGE IN CONTRIBUTION AND OTHER FEHBP RULES.—Notwithstanding any other provision of law, effective January 1, 1994—

(A) enrollment shall not be permitted under a health benefits plan under chapter 89 of title 5, United States Code, unless the plan is an AHP, and

(B) the amount of the Federal Government contribution under such chapter—

(i) for any premium class shall be the same for all AHPs in a HPPC area,

(ii) for any premium class shall not exceed the base individual premium (as defined in section 209(c)(3)), and

(iii) in the aggregate for any fiscal year shall be equal to the aggregate amount of Government contributions that would have been made but for this section.

SEC. 119. ADDITIONAL REQUIREMENT OF CERTAIN AHPs.

(a) MEDICARE ADJUSTMENT PAYMENT REQUIRED.—Each AHP which does not meet the requirement of section 148(c) shall provide for payment to the Board of such amounts as may be required as to put the plan in the same financial position as the AHP would be in if it met such requirement.

(b) REDISTRIBUTION OF PAYMENTS TO PLANS.—The Board shall provide for the distribution among AHPs meeting the requirement of section 148(c) of amounts paid under subsection (a) in such manner as reflects the relative financial impact of such requirement among such plans.

PART 2—PREEMPTION OF STATE LAWS FOR ACCOUNTABLE HEALTH PLANS

SEC. 120. PREEMPTION FROM STATE BENEFIT MANDATES.

Effective as of January 1, 1994, no State shall establish or enforce any law or regulation that—

(1) requires the offering, as part of an AHP, of any services, category of care, or services of any class or type of provider that is different from the uniform set of effective benefits;

(2) specifies the individuals to be covered under an AHP or the duration of such coverage; or

(3) requires a right of conversion from a group health plan that is an AHP to an individual health plan.

SEC. 121. PREEMPTION OF STATE LAW RESTRICTIONS ON NETWORK PLANS.

(a) LIMITATION ON RESTRICTIONS ON NETWORK PLANS.—Effective as of January 1, 1994—

(1) A State may not by law or regulation prohibit or unreasonably limit a network plan from including incentives for enrollees to use the services of participating providers.

(2) A State may not prohibit or unreasonably limit a network plan from limiting coverage of services to those provided by a participating provider.

(3)(A) Subject to subparagraph (B), a State may not prohibit or unreasonably limit the negotiation of rates and forms of payments for providers under a network plan.

(B) Subparagraph (A) shall not apply where the amount of payments with respect to a category of services or providers is established under a Statewide system applicable to all non-Federal payors with respect to such services or providers.

(4) A State may not prohibit or unreasonably limit a network plan from limiting the number of participating providers.

(5) A State may not prohibit or unreasonably limit a network plan from requiring that services be provided (or authorized) by a practitioner selected by the enrollee from a list of available participating providers.

(b) DEFINITIONS.—As used in this section:

(1) NETWORK PLAN.—The term "network plan" means an AHP—

(A) which—

(i) limits coverage of the uniform set of basic benefits to those provided by participating providers; or

(ii) provides, with respect to such services provided by persons who are not participating providers, for deductibles or other cost-sharing which are in excess of those permitted under the uniform set of basic benefits for participating providers;

(B) which has a sufficient number and distribution of participating providers to assure that the uniform set of basic benefits is—

(i) available and accessible to each enrollee, within the area served by the plan, with reasonable promptness and in a manner which assures continuity; and

(ii) when medically necessary, available and accessible 24 hours a day and seven days a week; and

(C) which provides benefits for the uniform set of basic benefits not furnished by participating providers if the services are medically necessary and immediately required because of an unforeseen illness, injury, or condition.

(2) PARTICIPATING PROVIDER.—The term "participating provider" means an entity or individual which provides, sells, or leases health care services under a contract with a network plan, which contract does not permit—

(A) cost-sharing in excess of the cost-sharing permitted under the uniform set of basic benefits with respect to basic benefits; and

(B) any enrollee charges (for such services covered under such set) in excess of such cost-sharing.

SEC. 122. PREEMPTION OF STATE LAWS RESTRICTING UTILIZATION REVIEW PROGRAMS.

(a) IN GENERAL.—Effective January 1, 1994, no State law or regulation shall prohibit or regulate activities under a utilization review program (as defined in subsection (b)).

(b) UTILIZATION REVIEW PROGRAM DEFINED.—In this section, the term "utilization review program" means a system of reviewing the medical necessity and appropriateness of patient services (which may include inpatient and outpatient services) using specified guidelines. Such a system may include preadmission certification, the application of practice guidelines, continued stay review, discharge planning, preauthorization of ambulatory procedures, and retrospective review.

Subtitle C—Federal Health Board

SEC. 131. ESTABLISHMENT OF FEDERAL HEALTH BOARD.

(a) IN GENERAL.—There is hereby established a Federal Health Board.

(b) COMPOSITION AND TERMS.—

(1) APPOINTMENT.—The Board shall be composed of 5 members appointed by the President by and with the advice and consent of the Senate. In appointing members to the Board, the President shall provide that all

members shall demonstrate experience with and knowledge of the health care system.

(2) **CHAIRPERSON.**—The President shall designate one of the members to be Chairperson of the Board.

(3) **TERMS.**—Each member of the Board shall be appointed for a term of 7 years, except that, of the members first appointed, 1 shall each be appointed for terms of 3, 4, 5, 6, and 7 years, as designated by the President at the time of appointment. Members appointed to fill vacancies shall serve for the remainder of the terms of the vacating members.

(4) **PARTY AFFILIATION.**—Not more than 3 members of the Board shall be of the same political party.

(5) **OTHER EMPLOYMENT PROHIBITED.**—A member of the Board may not, during the term as a member, engage in any other business, vocation, profession, or employment.

(6) **QUORUM.**—Three members of the Board shall constitute a quorum, except that 2 members may hold hearings.

(7) **MEETINGS.**—The Board shall meet at the call of the Chairman or 3 members of the Board.

(8) **COMPENSATION.**—Each member of the Board shall be entitled to compensation at the rate provided for level II of the Executive Schedule, subject to such amounts as are provided in advance in appropriation Acts.

(c) **PERSONNEL.**—

(1) **IN GENERAL.**—The Board shall appoint an Executive Director and such additional officers and employees as it considers necessary to carry out its functions under this Act. Except as otherwise provided in any other provision of law, such officers and employees shall be appointed, and their compensation shall be fixed, in accordance with title 5, United States Code.

(2) **EXPERTS AND CONSULTANTS.**—The Board may procure the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

(d) **MISCELLANEOUS PROVISIONS.**—

(1) **GIFTS, BEQUESTS, AND DEVICES.**—The Board may accept, use, and dispose of gifts, bequests, or devises of services or property for the purpose of aiding or facilitating its work.

(2) **MAILS.**—The Board may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

**SEC. 132. SPECIFICATION OF UNIFORM SET OF EFFECTIVE BENEFITS.**

(a) **SPECIFICATION OF UNIFORM SET OF EFFECTIVE BENEFITS.**—

(1) **IN GENERAL.**—The Board shall specify, by not later than October 1 of each year (beginning with 1993), the uniform set of effective benefits to apply under this title for the following year.

(2) **SPECIFICATION OF HEALTH CARE CONDITIONS.**—

(A) **IN GENERAL.**—Such benefits shall include the full range of legally authorized treatment for any health condition for which the Board determines a treatment has been shown to reasonably improve or significantly ameliorate the condition. The Board may exclude health conditions the treatment of which do not impact on clinical health or functional status of individuals.

(B) **COVERAGE OF CLINICAL PREVENTIVE SERVICES.**—Such benefits shall include the full range of effective clinical preventive services (including appropriate screening, counseling, and immunization and chemoprophylaxis), specified by the Board, appropriate to age and other risk factors.

(C) **COVERAGE FOR PERSONS WITH SEVERE MENTAL ILLNESS.**—The Board shall establish

guidelines concerning nondiscrimination towards individuals with severe mental illnesses and coverage for the treatment of severe mental illnesses. Such guidelines shall ensure that coverage of such individuals is equitable and commensurate with the coverage provided to other individuals.

(D) **EXCLUSION FOR INEFFECTIVE TREATMENTS.**—The Board may exclude from the benefits such treatments as the Board determines, based on clinical information, have not been reasonably shown to improve a health condition or significantly ameliorate a health condition. Except as specifically excluded, the actual specific treatments, procedures, and care (such as the use of particular providers or services) which may be used under a plan or be used with respect to health conditions shall be left up to the plan.

(E) **NONDISCRIMINATION.**—In determining the uniform set of effective benefits, the Board shall not discriminate against individuals with serious mental illnesses.

(3) **DEDUCTIBLES AND COST-SHARING.**—

(A) **IN GENERAL.**—Subject to subparagraph (B), such set shall include uniform deductibles and cost-sharing associated with such benefits.

(B) **TREATMENT OF NETWORK PLANS.**—In the case of a network plan (as defined in section 121(b)), the plan may provide for charging deductibles and cost-sharing in excess of the uniform deductibles and cost-sharing under subparagraph (A) in the case of services provided by providers that are not participating providers (as defined in such section).

(b) **BASIS FOR BENEFITS.**—In establishing such set, the Board shall judge medical treatments, procedures, and related health services based on—

(1) their effectiveness in improving the health status of individuals; and

(2) their long-term impact on maintaining and improving health and productivity and on reducing the consumption of health care services.

(c) **BASIS FOR COST-SHARING.**—In establishing cost-sharing that is part of the uniform set of effective benefits, the Board shall—

(1) include only such cost-sharing as will restrain consumers from seeking unnecessary services;

(2) not impose cost-sharing for covered clinical preventive services;

(3) balance the effect of the cost-sharing in reducing premiums and in affecting utilization of appropriate services; and

(4) limit the total cost-sharing that may be incurred by an individual (or enrollee unit) in a year.

**SEC. 133. HEALTH BENEFITS AND DATA STANDARDS BOARD.**

(a) **ESTABLISHMENT.**—The Board shall provide for the initial organization, as a nonprofit corporation in the District of Columbia, of the Health Benefits and Data Standards Board (in this section referred to as the "Benefits and Data Board"), under the direction of a board of directors consisting of 5 directors.

(b) **APPOINTMENT OF DIRECTORS.**—

(1) **SOLICITATION.**—The Board shall solicit nominations for the initial board of directors of the Benefits and Data Board from organizations that represent the various groups with an interest in the health care system and the functions of the Board.

(2) **CONTINUATION.**—The by-laws of the Benefits and Data Board shall provide for the board of directors subsequently to be appointed by the board in a manner that ensures a broad range of representation of through groups with an interest in providing and purchasing health care.

(3) **TERMS OF DIRECTORS.**—The term of each member of the board of directors shall be for 7 years, except that in order to provide for staggered terms, the terms of the members initially appointed shall be for 3, 4, 5, 6, and 7 years. In the case of a vacancy by death or resignation, the replacement shall be appointed for the remainder of the term. No individual may serve as a director of the board for more than 14 years.

(c) **FUNCTIONS.**—

(1) **IN GENERAL.**—The Benefits and Data Board shall make recommendations to the Board concerning each of the following:

(A) The uniform set of effective benefits.

(B) The standards for information collection from AHPs.

(C) Auditing standards to ensure the accuracy of such information.

Before making recommendations concerning the standards described in subparagraph (B), the Benefits and Data Board shall consult with the Agency for Health Care Policy and Research regarding the Agency's need for information in performing its activities.

(2) **ASSESSMENTS.**—The Benefits and Data Board shall provide the Board with its assessment of—

(A) medical technology;

(B) practice variations;

(C) the effectiveness of medical practices and drug therapies based on research performed by the Agency for Health Care Policy and Research;

(D) information from clinical and epidemiologic studies; and

(E) information provided by AHPs, including AHP-specific information on clinical health, functional status, well-being, and plan satisfaction of enrolled individuals.

(3) **NATIONAL HEALTH DATA SYSTEM.**—The Benefits and Data Board shall provide the Board with its assistance in the development of the standards for the national data reporting system under section 137.

(d) **FUNDING.**—

(1) **IN GENERAL.**—In order to provide funding for the Benefits and Data Board, the National Health Board shall establish an annual registration fee for AHPs which is imposed on a per-covered-individual-basis and is sufficient, in the aggregate, to provide each year for not more than the amount specified in paragraph (2) for the operation of the Benefits and Data Board.

(2) **AMOUNT OF FUNDS.**—The amount specified in this paragraph for each of fiscal years 1994 and 1995, is \$50,000,000, and, for each succeeding fiscal year, is \$25,000,000.

**SEC. 134. HEALTH PLAN STANDARDS BOARD.**

(a) **ESTABLISHMENT.**—The Board shall provide for the initial organization, as a nonprofit corporation in the District of Columbia, of the Health Plan Standards Board (in this section referred to as the "Plan Standards Board"), under the direction of a board of directors consisting of 5 directors.

(b) **APPOINTMENT OF DIRECTORS.**—

(1) **SOLICITATION.**—The Board shall solicit nominations for the initial board of directors of the Plan Standards Board from organizations that represent the various groups with an interest in the health care system and the functions of the Board.

(2) **CONTINUATION.**—The by-laws of the Plan Standards Board shall provide for the board of directors subsequently to be appointed by the board in a manner that ensures a broad range of representation of through groups with an interest in providing and purchasing health care.

(3) **TERMS OF DIRECTORS.**—The term of each member of the board of directors shall be for 7 years, except that in order to provide for

staggered terms, the terms of the members initially appointed shall be for 3, 4, 5, 6, and 7 years. In the case of a vacancy by death or resignation, the replacement shall be appointed for the remainder of the term. No individual may serve as a director of the board for more than 12 years.

(c) FUNCTIONS.—

(1) IN GENERAL.—The Plan Standards Board shall make recommendations to the Board concerning the standards for AHPs (other than standards relating to the uniform set of effective benefits and the national health data system) and for HPPCs.

(2) ASSESSMENT OF RISK-ADJUSTMENT FACTORS.—The Plan Standards Board shall provide the Board with its assessment of the risk-adjustment factors under section 136.

(d) FUNDING.—In order to provide funding for the Plan Standards Board, the National Health Board shall establish an annual registration fee for AHPs which is imposed on a per-covered-individual-basis and is sufficient, in the aggregate, to provide each year for not more than 60 percent of the amount specified in section 133(d)(2) for the operation of the Plan Standards Board.

**SEC. 135. REGISTRATION OF ACCOUNTABLE HEALTH PLANS.**

(a) IN GENERAL.—The Board shall register those health plans that meet the standards under subtitle B.

(b) TREATMENT OF STATE CERTIFICATION.—If the Board determines that a State superintendent of insurance, State insurance commissioner, or other State official provides for the imposition of standards that the Board finds are equivalent to the standards established under subtitle B for registration of a health benefit plan as an AHP, the Board may provide for registration as AHPs of health plans that such official certifies as meeting the standards for registration. Nothing in this subsection shall require a health plan to be certified by such an official in order to be registered by the Board.

(c) MEDICAID WAIVER.—The Board shall develop criteria and procedures under which the Secretary may grant a waiver to a State to permit that State to enroll individuals, otherwise eligible for enrollment under title XIX of the Social Security Act, under ACP's through a HPPC. The waiver shall permit the State to use funds made available under such title XIX for the enrollment of medicare eligible individuals through a HPPC. The State shall ensure that individuals enrolled in a AHP under such a waiver are guaranteed at least those minimum benefits that such individual would have been entitled to under such title XIX.

**SEC. 136. SPECIFICATION OF RISK-ADJUSTMENT FACTORS.**

(a) IN GENERAL.—The Board shall establish rules for the process of risk-adjustment of premiums among AHPs by HPPCs under section 102(d).

(b) PROCESS.—

(1) IDENTIFICATION OF RELATIVE RISK.—The Board shall determine risk-adjustment factors that are correlated with increased or diminished risk for consumption of the type of health services included in the uniform set of effective benefits. To the maximum extent practicable, such factors shall be determined without regard to the methodology used by individual AHPs in the provision of such benefits. In determining such factors, with respect to an individual who is identified as having—

(A) a lower-than-average risk for consumption of the services, the factor shall be a number, less than zero, reflecting the degree of such lower risk;

(B) an average risk for consumption of the services, the factor shall be zero; or

(C) a higher-than-average risk for consumption of the services, the factor shall be a number, greater than zero, reflecting the degree of such higher risk.

(2) ADJUSTMENT OF FACTORS.—In applying under section 102(d)(1)(B) the risk-adjustment factors determined under paragraph (1), each HPPC shall adjust such factors, in accordance with a methodology established by the Board, so that the sum of such factors is zero for all enrollee units in each HPPC area for which a premium payment is forwarded under section 102(d) for each premium payment period.

**SEC. 137. NATIONAL HEALTH DATA SYSTEM.**

(a) STANDARDIZATION OF INFORMATION.—

(1) IN GENERAL.—The Board shall establish standards for the periodic reporting by AHPs of information under section 113(a).

(2) PATIENT CONFIDENTIALITY.—The standards shall be established in a manner that protects the confidentiality of individual enrollees, but may provide for the disclosure of information which discloses particular providers within an AHP.

(b) ANALYSIS OF INFORMATION.—The Board shall analyze the information reported in order to distribute it in a form, consistent with subsection (a)(2), that—

(1) reports, on a national, State, and community basis, the levels and trends of health care expenditures, the rates and trends in the provision of individual procedures, and the price levels and rates of price change for such procedures; and

(2) permits the direct comparison of different AHPs on the basis of the ability of the AHPs to maintain and improve clinical health, functional status, and well-being and to satisfy enrolled individuals.

The reports under paragraph (1) shall include both aggregate and per capita measures for areas and shall include comparative data of different areas. The comparison under paragraph (2) may also be made to show changes in the performance of AHPs over time.

(c) DISTRIBUTION OF INFORMATION.—

(1) IN GENERAL.—The Board shall provide, through the HPPCs and directly to AHPs, for the distribution of its analysis on individual AHPs. Such distribution shall occur at least annually before each general enrollment period.

(2) ANNUAL REPORT ON EXPENDITURES.—The Board shall publish annually (beginning with 1996) a report on expenditures on, and volumes and prices of, procedures. Such report shall be distributed to each AHP, each HPPC, each Governor, and each State legislature.

(3) ANNUAL REPORTS.—The Board shall also publish an annual report, based on analyses under this section, that identifies—

(A) procedures for which, as reflected in variations in use or rates of increase, there appear to be the greatest need to develop valid clinical protocols for clinical decision-making and review;

(B) procedures for which, as reflected in price variations and price inflation, there appear to be the greatest need for strengthening competitive purchasing; and

(C) States and localities for which, as reflected in expenditure levels and rates of increase, there appear to be the greatest need for additional cost control measures.

(4) SPECIAL DISTRIBUTIONS.—The Board may, whenever it deems appropriate, provide for the distribution—

(A) to an AHP of such information relating to the plan as may be appropriate in order to encourage the plan to improve its delivery of care; and

(B) to business, consumer, and other groups and individuals of such information as may improve their ability to effect improvements in the outcomes, quality, and efficiency of health services.

(5) ACCESS BY AGENCY FOR HEALTH CARE POLICY AND RESEARCH.—The Board shall make available to the Agency for Health Care Policy and Research information obtained under section 113(a) in a manner consistent with subsection (a)(2).

(d) STANDARDIZED FORMS.—Not later than October 1, 1994, the Board, in consultation with representatives of local governments, insurers, health care providers, and consumers shall develop a plan to accelerate electronic billing and computerization of medical records and shall develop standardized claim forms and billing procedures for use by all AHP's under this title.

**SEC. 138. MEASURES OF QUALITY OF CARE OF SPECIALIZED CENTERS OF CARE.**

(a) COLLECTION OF INFORMATION.—The Board shall provide a process whereby a specialized center of care (as defined in subsection (c)) may submit to the Board such clinical and other information bearing on the quality of care provided with respect to the uniform set of effective benefits at the center as the Board may specify. Such information shall include sufficient information to take into account outcomes and the risk factors associated with individuals receiving care through the center. Such information shall be provided at such frequency (not less often than annually) as the Board specifies.

(b) MEASURES OF QUALITY.—Using information submitted under subsection (a) and information reported under section 137, the Board shall—

(1) analyze the performance of such centers with respect to the quality of care provided;

(2) rate the performance of such a center with respect to a class of services relative to the performance of other specialized centers of care and relative to the performance of AHPs generally; and

(3) publish such ratings.

(c) USE OF SERVICE MARK FOR SPECIALIZED CENTERS OF CARE.—

The Board may establish a service mark for specialized centers of care the performance of which has been rated under subsection (b). Such service mark shall be registrable under the Trademark Act of 1946, and the Board shall apply for the registration of such service mark under such Act. For purposes of such Act, such service mark shall be deemed to be used in commerce. For purposes of this subsection, the "Trademark Act of 1946" refers to the Act entitled "An Act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of international conventions, and for other purposes", approved July 5, 1946 (15 U.S.C. 1051 et seq.).

(d) SPECIALIZED CENTER OF CARE DEFINED.—In this section, the term "specialized center of care" means an institution or other organized system for the provision of specific services, which need not be multi-disciplinary, and does not include (except as the Board may provide) individual practitioners.

**SEC. 139. REPORT ON IMPACT OF ADVERSE SELECTION; RECOMMENDATIONS ON MANDATED PURCHASE OF COVERAGE.**

(a) STUDY.—The Board shall study—

(1) the extent to which those eligible individuals (as defined in subsection (c)) who enroll with AHPs have significantly greater needs for health care services than the population of eligible individuals as a whole; and

(2) methods for reducing adverse impacts that may result from such adverse selection.

(b) REPORT.—By not later than January 1, 1996, the Board shall submit to Congress a report on the study under subsection (a) and on appropriate methods for reducing adverse impacts that may result from adverse selection in enrollment. The report shall specifically include—

(1) an examination of the impact of establishing a requirement that all eligible individuals obtain health coverage through enrollment with an AHP; and

(2) a recommendation as to whether (and, if so, how) to impose such a requirement.

(c) ELIGIBLE INDIVIDUAL DEFINED.—In this section, the term "eligible individual"—

(1) includes individuals who would be eligible individuals but for section 2(a)(4)(B), but

(2) does not include individuals eligible to enroll for benefits under part B of title XVIII of the Social Security Act.

## TITLE II—TAX INCENTIVES TO INCREASE HEALTH CARE ACCESS

### SEC. 201. CREDIT FOR ACCOUNTABLE HEALTH PLAN COSTS.

(a) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to refundable personal credits) is amended by inserting after section 34 the following new section:

#### "SEC. 34A. ACCOUNTABLE HEALTH PLAN COSTS.

"(a) ALLOWANCE OF CREDIT.—

"(1) IN GENERAL.—In the case of an eligible individual, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to the applicable percentage of the accountable health plan costs paid by such individual during the taxable year.

"(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the term 'applicable percentage' means 60 percent reduced (but not below zero) by 10 percentage points for each \$1,000 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year exceeds the applicable dollar amount.

"(3) APPLICABLE DOLLAR AMOUNT.—For purposes of this subsection, the term 'applicable dollar amount' means—

"(A) in the case of a taxpayer filing a joint return, \$28,000,

"(B) in the case of any other taxpayer (other than a married individual filing a separate return), \$18,000, and

"(C) in the case of a married individual filing a separate return, zero.

For purposes of this subsection, the rule of section 219(g)(4) shall apply.

"(b) ACCOUNTABLE HEALTH PLAN COSTS.—For purposes of this section—

"(1) IN GENERAL.—The term 'accountable health plan costs' means amounts paid during the taxable year for insurance which constitutes medical care (within the meaning of section 213(g)). For purposes of the preceding sentence, the rules of section 213(d)(6) shall apply.

"(2) DOLLAR LIMIT ON ACCOUNTABLE HEALTH PLAN COSTS.—The amount of the accountable health care costs paid during any taxable year which may be taken into account under subsection (a)(1) shall not exceed the reference premium amount for the taxable year.

"(3) ELECTION NOT TO TAKE CREDIT.—A taxpayer may elect for any taxable year to have amounts described in paragraph (1) not treated as accountable health plan costs.

"(4) DEFINITION.—As used in paragraph (2), the term 'reference premium rate amount' means, with respect to an individual in a HPPC area, the lowest premium established by an open accountable health plan and of-

ferred in the area for the premium class applicable to such individual (including, if appropriate, the HPPC overhead amount established under section 105(b)(3) of the Access to Affordable Health Care Act) applied for the taxable year period involved.

"(c) ELIGIBLE INDIVIDUAL.—For purposes of this section, the term 'eligible individual' means, with respect to any period, an individual who is not covered during such period by a health plan maintained by an employer of such individual or such individual's spouse.

"(d) SPECIAL RULES.—For purposes of this section—

"(1) COORDINATION WITH ADVANCE PAYMENT AND MINIMUM TAX.—Rules similar to the rules of subsections (g) and (h) of section 32 shall apply to any credit to which this section applies.

"(2) MEDICARE-ELIGIBLE INDIVIDUALS.—No expense shall be treated as an accountable health plan cost if it is an amount paid for insurance for an individual for any period with respect to which such individual is entitled (or, on application without the payment of an additional premium, would be entitled to) benefits under part A of title XVIII of the Social Security Act.

"(3) SUBSIDIZED EXPENSES.—No expense shall be treated as an accountable health plan cost to the extent—

"(A) such expense is paid, reimbursed, or subsidized (whether by being disregarded for purposes of another program or otherwise) by the Federal Government, a State or local government, or any agency or instrumentality thereof, and

"(B) the payment, reimbursement, or subsidy of such expense is not includible in the gross income of the recipient.

"(e) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section."

(b) ADVANCE PAYMENT OF CREDIT.—

(1) IN GENERAL.—Chapter 25 of the Internal Revenue Code of 1986 is amended by inserting after section 3507 the following new section:

#### "SEC. 3507A. ADVANCE PAYMENT OF ACCOUNTABLE HEALTH PLAN COSTS.

"(a) GENERAL RULE.—Except as otherwise provided in this section, every employer making payment of wages with respect to whom an accountable health plan costs eligibility certificate is in effect shall, at the time of paying such wages, make an additional payment equal to such employee's accountable health plan costs advance amount.

"(b) ACCOUNTABLE HEALTH PLAN COSTS ELIGIBILITY CERTIFICATE.—For purposes of this title, an accountable health plan costs eligibility certificate is a statement furnished by an employee to the employer which—

"(1) certifies that the employee will be eligible to receive the credit provided by section 34A for the taxable year,

"(2) certifies that the employee does not have an accountable health plan costs eligibility certificate in effect for the calendar year with respect to the payment of wages by another employer,

"(3) states whether or not the employee's spouse has an accountable health plan costs eligibility certificate in effect, and

"(4) estimates the amount of accountable health plan costs (as defined in section 34A(b)) for the calendar year.

For purposes of this section, a certificate shall be treated as being in effect with respect to a spouse if such a certificate will be in effect on the first status determination date following the date on which the employee furnishes the statement in question.

"(c) ACCOUNTABLE HEALTH PLAN COSTS ADVANCE AMOUNT.—

"(1) IN GENERAL.—For purposes of this title, the term 'accountable health plan costs advance amount' means, with respect to any payroll period, the amount determined—

"(A) on the basis of the employee's wages from the employer for such period,

"(B) on the basis of the employee's estimated accountable health plan costs included in the accountable health plan costs eligibility certificate, and

"(C) in accordance with tables provided by the Secretary.

"(2) ADVANCE AMOUNT TABLES.—The tables referred to in paragraph (1)(D) shall be similar in form to the tables prescribed under section 3402 and, to the maximum extent feasible, shall be coordinated with such tables and the tables prescribed under section 3507(c).

"(d) OTHER RULES.—For purposes of this section, rules similar to the rules of subsections (d) and (e) of section 3507 shall apply.

"(e) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section."

(2) CONFORMING AMENDMENT.—The table of sections for chapter 25 of such Code is amended by adding after the item relating to section 3507 the following new item:

"Sec. 3507A. Advance payment of accountable health plan costs credit."

(c) COORDINATION WITH DEDUCTIONS FOR HEALTH INSURANCE EXPENSES.—

(1) SELF-EMPLOYED INDIVIDUALS.—Section 162(l) of the Internal Revenue Code of 1986, as amended by section 203, is further amended by adding after paragraph (5) the following new paragraph:

"(6) COORDINATION WITH HEALTH INSURANCE PREMIUM CREDIT.—Paragraph (1) shall not apply to any amount taken into account in computing the amount of the credit allowed under section 34A."

(2) MEDICAL, DENTAL, ETC., EXPENSES.—Subsection (e) of section 213 of such Code is amended by inserting "or section 34A" after "section 21".

(d) TERMINATION OF HEALTH INSURANCE CREDIT.—Section 32 of the Internal Revenue Code of 1986 (relating to earned income credit) is amended by adding at the end thereof the following new subsection:

"(d) TERMINATION OF HEALTH INSURANCE CREDIT.—In the case of taxable years beginning after December 31, 1991, the health insurance credit percentage shall be equal to 0 percent."

(e) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 34 the following new item:

"Sec. 34A. Accountable health plan costs."

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1993.

### SEC. 202. NO DEDUCTION FOR EMPLOYER HEALTH PLAN EXPENSES IN EXCESS OF ACCOUNTABLE HEALTH PLAN COSTS.

(a) IN GENERAL.—Section 162 of the Internal Revenue Code of 1986 (relating to trade or business expenses) is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

"(m) GENERAL RULE.—

"(1) LIMITATION ON DEDUCTION.—No deduction shall be allowed under this section for the excess health plan expenses of any employer.

"(2) EXCESS HEALTH PLAN EXPENSES.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'excess health plan expenses' means health plan expenses paid or incurred by the employer for any month with respect to any covered individual to the extent such expenses do not meet the requirements of subparagraphs (B), (C), and (D).

"(B) LIMIT TO ACCOUNTABLE HEALTH PLANS.—Health plan expenses meet the requirements of this subparagraph only if the expenses are attributable to—

"(i) coverage of the covered individual under an accountable health plan, or

"(ii) in the case of a small employer, payment to a health plan purchasing cooperative for coverage under an accountable health plan.

"(C) LIMIT ON PER EMPLOYEE CONTRIBUTION.—

"(i) IN GENERAL.—Health plan expenses with respect to any employee meet the requirements of this subparagraph for any month only to the extent that the amount of such expenses does not exceed the reference premium rate amount for the month.

"(ii) TREATMENT OF HEALTH PLANS OUTSIDE THE UNITED STATES.—For purposes of clause (i), in the case of an employee residing outside the United States, there shall be substituted for the reference premium rate such reasonable amounts as the Federal Health Board determines to be comparable to the limit imposed under clause (i).

"(iii) DEFINITION.—As used in clause (i), the term 'reference premium rate amount' means, with respect to an individual in a HPPC area, the lowest premium established by an open accountable health plan and offered in the area for the premium class applicable to such individual (including, if appropriate, the HPPC overhead amount established under section 105(b)(3) of the Access to Affordable Health Care Act).

"(D) REQUIREMENT OF LEVEL CONTRIBUTION.—Health plan expenses meet the requirements of this subparagraph for any month only if the amount of the employer contribution (for a premium class) does not vary based on the accountable health plan selected.

"(3) EXCEPTION FOR MEDICARE-ELIGIBLE RETIREES.—Paragraphs (1) and (2) shall not apply to health plan expenses with respect to an individual who is eligible for benefits under part A of title XVIII of the Social Security Act if such expenses are for a health plan that is not a primary payor under section 1862(b) of such Act.

"(4) SPECIAL RULES.—

"(A) TREATMENT OF SELF-INSURED PLANS.—In the case of a self-insured health plan, the amount of contributions per employee shall be determined for purposes of paragraph (2)(C) in accordance with rules established by the Federal Health Board which are based on the principles of section 4980B(f)(4)(B) (as in effect before the date of the enactment of this subsection).

"(B) CONTRIBUTIONS TO CAFETERIA PLANS.—Contributions under a cafeteria plan on behalf of an employee that may be used for a group health plan coverage shall be treated for purposes of this section as health plan expenses paid or incurred by the employer.

"(5) EMPLOYEES HELD HARMLESS.—Nothing in this section shall be construed as affecting the exclusion from gross income of an employee under section 106.

"(6) OTHER DEFINITIONS.—For purposes of this subsection—

"(A) COVERED INDIVIDUAL.—The term 'covered individual' means any beneficiary of a group health plan.

"(B) GROUP HEALTH PLAN.—The term 'group health plan' has the meaning given such term by section 5000(b)(1).

"(C) HEALTH PLAN EXPENSES.—

"(i) IN GENERAL.—The term 'health plan expenses' means employer expenses for any group health plan, including expenses for premiums as well as payment of deductibles and coinsurance that would otherwise be applicable.

"(ii) EXCLUSION OF CERTAIN DIRECT EXPENSES.—Such term does not include expenses for direct services which are determined by the Federal Health Board to be primarily aimed at workplace health care and health promotion or related population-based preventive health activities.

"(D) ACCOUNTABLE HEALTH PLAN.—The term 'accountable health plan' has the meaning given such term by section 2(b)(1) of the Access to Affordable Health Care Act.

"(E) SMALL EMPLOYER.—The term 'small employer' means, for a taxable year, an employer that is a small employer (within the meaning of section 2(c)(2) of the Access to Affordable Health Care Act) for the most recent calendar year ending before the end of the taxable year."

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to expenses incurred for the provision of health services for periods after December 31, 1993.

(2) TRANSITION FOR COLLECTIVE BARGAINING AGREEMENTS.—The amendments made by this section shall not apply to employers with respect to their employees, insofar as such employees are covered under a collective bargaining agreement ratified before the date of the enactment of this Act, earlier than the date of termination of such agreement (determined without regard to any extension thereof agreed to after the date of the enactment of this Act), or January 1, 1996, whichever is earlier.

#### SEC. 203. INCREASE IN DEDUCTION FOR HEALTH PLAN PREMIUM EXPENSES OF SELF-EMPLOYED INDIVIDUALS.

(a) INCREASING DEDUCTION TO 100 PERCENT.—Paragraph (1) of section 162(l) of the Internal Revenue Code of 1986 (relating to special rules for health insurance costs of self-employed individuals) is amended by striking "25 percent of".

(b) MAKING PROVISION PERMANENT.—Section 162(l) of such Code is amended by striking paragraph (6).

(c) LIMITATION TO ACCOUNTABLE HEALTH PLANS.—Paragraph (2) of section 162(l) of such Code is amended by adding at the end thereof the following new subparagraph:

"(C) DEDUCTION LIMITED TO ACCOUNTABLE HEALTH PLAN COSTS.—No deduction shall be allowed under this section for any amount which would be excess health plan expenses (as defined in subsection (m)(2), determined without regard to subparagraph (D) thereof) if the taxpayer were an employer."

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to taxable years beginning after December 31, 1993.

(2) EXCEPTION.—The amendment made by subsection (c) shall apply to expenses for periods of coverage beginning on or after January 1, 1994.

#### SEC. 204. DEDUCTION FOR HEALTH PLAN PREMIUM EXPENSES OF INDIVIDUALS.

(a) IN GENERAL.—Section 213 of the Internal Revenue Code of 1986 (relating to medical, dental, etc., expenses) amended by adding at the end the following new subsection:

"(g) SPECIAL RULES FOR HEALTH PLAN PREMIUM EXPENSES.—

"(1) IN GENERAL.—The deduction under subsection (a) shall be determined without regard to the limitation based on adjusted gross income with respect to amounts paid for premiums for coverage under an accountable health plan.

"(2) LIMIT.—The amount allowed as a deduction under paragraph (1) with respect to the cost of providing coverage for any individual shall not exceed the applicable limit specified in section 162(m)(2)(C) reduced by the aggregate amount paid by all other entities (including any employer or any level of government) for coverage of such individual under any health plan.

"(3) DEDUCTION ALLOWED AGAINST GROSS INCOME.—The deduction under this subsection shall be taken into account in determining adjusted gross income under section 62(a).

"(4) TREATMENT OF MEDICARE PROGRAM.—Coverage under part A or part B of title XVIII of the Social Security Act shall not be considered for purposes of this subsection to be coverage under an accountable health plan."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1993.

#### SEC. 205. EXCLUSION FROM GROSS INCOME FOR EMPLOYER CONTRIBUTIONS TO ACCOUNTABLE HEALTH PLANS.

(a) IN GENERAL.—Section 106 of the Internal Revenue Code of 1986 (relating to contributions by employers to accident and health plans) is amended to read as follows:

"Gross income of an employee does not include employer-provided basic coverage under an accountable health plan (as defined in section 162(m)(2)(B))."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1993.

#### TITLE III—OUTCOMES RESEARCH AND PRACTICE GUIDELINE DEVELOPMENT; APPLICATION OF GUIDELINES AS LEGAL STANDARD

##### SEC. 301. AUTHORIZATION FOR EXPANSION OF HEALTH SERVICES RESEARCH.

Section 926(a) of the Public Health Service Act (42 U.S.C. 299c-5) is amended to read as follows:

(a) GENERAL AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this title, there are authorized to be appropriated \$120,000,000 for fiscal year 1993, \$155,000,000 for fiscal year 1994, and \$185,000,000 for fiscal year 1995."

##### SEC. 302. TREATMENT PRACTICE GUIDELINES AS A LEGAL STANDARD.

Section 912 of the Public Health Service Act (42 U.S.C. 299b-1) is amended by adding at the end thereof the following new subsection:

"(g) TREATMENT PRACTICE GUIDELINES AS A LEGAL STANDARD.—

"(1) IN GENERAL.—Except as provided in paragraph (2) and notwithstanding any other provision of law, guidelines established under this section may not be introduced in evidence or used in any action brought in a Federal or State court arising from the provision of a health care service to an individual.

(2) PROVISION OF HEALTH CARE UNDER GUIDELINES.—Notwithstanding any other provision of law, in any action brought in a Federal or

State court arising from the provision of a health care service to an individual, if the service was provided to the individual in accordance with guidelines established under this section, the guidelines—

(A) may be introduced by a provider who is a party to the action; and

(B) if introduced, shall establish a rebuttable presumption that the service prescribed by the guidelines is the appropriate standard of medical care."

#### TITLE IV—COOPERATIVE AGREEMENTS BETWEEN HOSPITALS

##### SEC. 401. PURPOSE.

It is the purpose of this title to encourage cooperation between hospitals in order to contain costs and achieve a more efficient health care delivery system through the elimination of unnecessary duplication and proliferation of expensive medical or high technology services or equipment.

##### SEC. 402. HOSPITAL TECHNOLOGY AND SERVICES SHARING PROGRAM.

Part D of title VI of the Public Health Service Act (42 U.S.C. 291k et seq.) is amended by adding at the end thereof the following new section:

##### "SEC. 647. HOSPITAL TECHNOLOGY AND SERVICES SHARING DEMONSTRATION PROGRAM.

"(a) WAIVER.—The Attorney General, acting through the Secretary, may grant a waiver of the anti-trust laws, to permit two or more hospitals to enter into a voluntary cooperative agreement under which such hospitals provide for the sharing of medical technology and services.

"(b) ELIGIBLE APPLICANTS.—

"(1) IN GENERAL.—To be eligible to receive a waiver under subsection (a), an entity shall be a hospital and shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including—

"(A) a statement that such hospital desires to negotiate and enter into a voluntary cooperative agreement with at least one other hospital operating in the State or region of the applicant hospital for the sharing of medical technology or services;

"(B) a description of the nature and scope of the activities contemplated under the cooperative agreement and any consideration that may pass under such agreement to any other hospital that may elect to become a party to the agreement; and

"(C) any other information determined appropriate by the Secretary.

"(2) DEVELOPMENT OF EVALUATION GUIDELINES.—Not later than 90 days after the date of enactment of this section, the Administrator of the Agency for Health Care Policy and Research shall develop evaluation guidelines with respect to applications submitted under paragraph (1).

"(3) EVALUATIONS OF APPLICATIONS.—The Secretary, in consultation with the Administrator of the Agency for Health Care Policy and Research, shall evaluate applications submitted under paragraph (1). In determining which applications to approve for purposes of granting waivers under subsection (a), the Secretary shall consider whether the cooperative agreement described in each such application is likely to result in—

"(A) a reduction of costs and an increase in access to care;

"(B) the enhancement of the quality of hospital or hospital-related care;

"(C) the preservation of hospital facilities in geographical proximity to the communities traditionally served by such facilities;

"(D) improvements in the cost-effectiveness of high-technology services by the hospitals involved;

"(E) improvements in the efficient utilization of hospital resources and capital equipment; or

"(F) the avoidance of duplication of hospital resources.

"(c) MEDICAL TECHNOLOGY AND SERVICES.—

"(1) IN GENERAL.—Cooperative agreements facilitated under this section shall provide for the sharing of medical or high technology equipment or services among the hospitals which are parties to such agreements.

"(2) MEDICAL TECHNOLOGY.—For purposes of this section, the term 'medical technology' shall include the drugs, devices, and medical and surgical procedures utilized in medical care, and the organizational and support systems within which such care is provided.

"(3) ELIGIBLE SERVICES.—With respect to services that may be shared under an agreement entered into under this section, such services shall—

"(A) either have high capital costs or extremely high annual operating costs; and

"(B) be services with respect to which there is a reasonable expectation that shared ownership will avoid a significant degree of the potential excess capacity of such services in the community or region to be served under such agreement.

Such services may include mobile clinic services.

"(d) REPORT.—Not later than 5 years after the date of enactment of this section, the Secretary shall prepare and submit to the appropriate committees of Congress, a report concerning the potential for cooperative agreements of the type entered into under this section to—

"(1) contain health care costs;

"(2) increase the access of individuals to medical services; and

"(3) improve the quality of health care.

Such report shall also contain the recommendations of the Secretary with respect to future programs to facilitate cooperative agreements.

"(e) DEFINITION.—For purposes of this section, the term 'antitrust laws' means—

"(1) the Act entitled "An Act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890, commonly known as the "Sherman Act" (26 Stat. 209; chapter 647; 15 U.S.C. 1 et seq.);

"(2) the Federal Trade Commission Act, approved September 26, 1914 (38 Stat. 717; chapter 311; 15 U.S.C. 41 et seq.);

"(3) the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, commonly known as the "Clayton Act" (38 Stat. 730; chapter 323; 15 U.S.C. 12 et seq.; 18 U.S.C. 402, 660, 3285, 3691; 29 U.S.C. 52, 53); and

"(4) any State antitrust laws that would prohibit the activities described in subsection (a)."

#### TITLE V—IMPROVED ACCESS TO HEALTH CARE FOR RURAL AND UNDERSERVED AREAS

##### Subtitle A—Revenue Incentives for Practice in Rural Areas

##### SEC. 501. REVENUE INCENTIVES FOR PRACTICE IN RURAL AREAS.

(a) NONREFUNDABLE CREDIT FOR CERTAIN PRIMARY HEALTH SERVICES PROVIDERS.—

(1) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by insert-

ing after section 25 the following new section:

##### "SEC. 25A. PRIMARY HEALTH SERVICES PROVIDERS.

"(a) ALLOWANCE OF CREDIT.—In the case of a qualified primary health services provider, there is allowed as a credit against the tax imposed by this chapter for any taxable year in a mandatory service period an amount equal to the product of—

"(1) the lesser of—

"(A) the number of months of such period occurring in such taxable year, or

"(B) 36 months, reduced by the number of months taken into account under this paragraph with respect to such provider for all preceding taxable years (whether or not in the same mandatory service period), multiplied by

"(2) \$1,000 (\$500 in the case of a qualified health services provider who is a physician assistant or a nurse practitioner).

"(b) QUALIFIED PRIMARY HEALTH SERVICES PROVIDER.—For purposes of this section, the term 'qualified primary health services provider' means any physician, physician assistant, or nurse practitioner who for any month during a mandatory service period is certified by the Bureau to be a primary health services provider who—

"(1) is providing primary health services—

"(A) full time, and

"(B) to individuals at least 80 percent of whom reside in a rural health professional shortage area,

"(2) is not receiving during such year a scholarship under the National Health Service Corps Scholarship Program or a loan repayment under the National Health Service Corps Loan Repayment Program,

"(3) is not fulfilling service obligations under such Programs, and

"(4) has not defaulted on such obligations.

"(c) MANDATORY SERVICE PERIOD.—For purposes of this section, the term 'mandatory service period' means the period of 60 consecutive calendar months beginning with the first month the taxpayer is a qualified primary health services provider.

"(d) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) BUREAU.—The term 'Bureau' means the Bureau of Health Care Delivery and Assistance, Health Resources and Services Administration of the United States Public Health Service.

"(2) PHYSICIAN.—The term 'physician' has the meaning given to such term by section 1861(r) of the Social Security Act.

"(3) PHYSICIAN ASSISTANT; NURSE PRACTITIONER.—The terms 'physician assistant' and 'nurse practitioner' have the meanings given to such terms by section 1861(aa)(3) of the Social Security Act.

"(4) PRIMARY HEALTH SERVICES PROVIDER.—The term 'primary health services provider' means a provider of primary health services (as defined in section 330(b)(1) of the Public Health Service Act).

"(5) RURAL HEALTH PROFESSIONAL SHORTAGE AREA.—The term 'rural health professional shortage area' means—

"(A) a class 1 or class 2 health professional shortage area (as defined in section 332(a)(1)(A) of the Public Health Service Act) in a rural area (as determined under section 1886(d)(2)(D) of the Social Security Act), or

"(B) an area which is determined by the Secretary of Health and Human Services as equivalent to an area described in subparagraph (A) and which is designated by the Bureau of the Census as not urbanized.

"(e) RECAPTURE OF CREDIT.—

"(1) IN GENERAL.—If, during any taxable year, there is a recapture event, then the tax

of the taxpayer under this chapter for such taxable year shall be increased by an amount equal to the product of—

“(A) the applicable percentage, and  
 “(B) the aggregate unrecaptured credits allowed to such taxpayer under this section for all prior taxable years.

“(2) APPLICABLE RECAPTURE PERCENTAGE.—  
 “(A) IN GENERAL.—For purposes of this subsection, the applicable recapture percentage shall be determined from the following table:

If the recapture event occurs during:	The applicable recapture percentage is:
Months 1-24 .....	100
Months 25-36 .....	75
Months 37-48 .....	50
Months 49-60 .....	25
Months 61 and thereafter .....	0.

“(B) TIMING.—For purposes of subparagraph (A), month 1 shall begin on the first day of the mandatory service period.

“(3) RECAPTURE EVENT DEFINED.—  
 “(A) IN GENERAL.—For purposes of this subsection, the term ‘recapture event’ means the failure of the taxpayer to be a qualified primary health services provider for any month during any mandatory service period.  
 “(B) CESSATION OF DESIGNATION.—The cessation of the designation of any area as a rural health professional shortage area after the beginning of the mandatory service period for any taxpayer shall not constitute a recapture event.

“(C) SECRETARIAL WAIVER.—The Secretary may waive any recapture event caused by extraordinary circumstances.  
 “(4) NO CREDITS AGAINST TAX.—Any increase in tax under this subsection shall not be treated as a tax imposed by this chapter for purposes of determining the amount of any credit under subpart A, B, or D of this part.”

“(2) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 25 the following new item:

“Sec. 25A. Primary health services providers.”

“(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 1993.  
 (b) NATIONAL HEALTH SERVICE CORPS LOAN REPAYMENTS EXCLUDED FROM GROSS INCOME.—

(1) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by redesignating section 136 as section 137 and by inserting after section 135 the following new section:

“SEC. 136. NATIONAL HEALTH SERVICE CORPS LOAN REPAYMENTS.

“(a) GENERAL RULE.—Gross income shall not include any qualified loan repayment.  
 “(b) QUALIFIED LOAN REPAYMENT.—For purposes of this section, the term ‘qualified loan repayment’ means any payment made on behalf of the taxpayer by the National Health Service Corps Loan Repayment Program under section 338B(g) of the Public Health Service Act.”

(2) CONFORMING AMENDMENT.—Paragraph (3) of section 338B(g) of the Public Health Service Act is amended by striking “Federal, State, or local” and inserting “State or local”.

(3) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is

amended by striking the item relating to section 136 and inserting the following:

“Sec. 136. National Health Service Corps loan repayments.  
 “Sec. 137. Cross references to other Acts.”

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to payments made under section 338B(g) of the Public Health Service Act after the date of the enactment of this Act.  
 (c) EXPENSING OF MEDICAL EQUIPMENT.—

(1) IN GENERAL.—Section 179 of the Internal Revenue Code of 1986 (relating to election to expense certain depreciable business assets) is amended—

(A) by striking paragraph (1) of subsection (b) and inserting the following:

“(1) DOLLAR LIMITATION.—  
 “(A) GENERAL RULE.—The aggregate cost which may be taken into account under subsection (a) for any taxable year shall not exceed \$10,000.  
 “(B) RURAL HEALTH CARE PROPERTY.—In the case of rural health care property, the aggregate cost which may be taken into account under subsection (a) for any taxable year shall not exceed \$25,000, reduced by the amount otherwise taken into account under subsection (a) for such year.”; and  
 (B) by adding at the end of subsection (d) the following new paragraph:

“(1) RURAL HEALTH CARE PROPERTY.—For purposes of this section, the term ‘rural health care property’ means section 179 property used by a physician (as defined in section 1861(r) of the Social Security Act) in the active conduct of such physician’s full-time trade or business of providing primary health services (as defined in section 330(b)(1) of the Public Health Service Act) in a rural health professional shortage area (as defined in section 25A(d)(5)).”

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to property placed in service after December 31, 1993, in taxable years ending after such date.

(d) DEDUCTION FOR STUDENT LOAN PAYMENTS BY MEDICAL PROFESSIONALS PRACTICING IN RURAL AREAS.—

(1) INTEREST ON STUDENT LOANS NOT TREATED AS PERSONAL INTEREST.—Section 163(h)(2) of the Internal Revenue Code of 1986 (defining personal interest) is amended by striking “and” at the end of subparagraph (D), by striking the period at the end of subparagraph (E) and inserting “, and”, and by adding at the end thereof the following new subparagraph:

“(F) any qualified medical education interest (within the meaning of subsection (k)).”

(2) QUALIFIED MEDICAL EDUCATION INTEREST DEFINED.—Section 163 of such Code (relating to interest expenses) is amended by redesignating subsection (k) as subsection (l) and by inserting after subsection (j) the following new subsection:

“(k) QUALIFIED MEDICAL EDUCATION INTEREST OF MEDICAL PROFESSIONALS PRACTICING IN RURAL AREAS.—  
 “(1) IN GENERAL.—For purposes of subsection (h)(2)(F), the term ‘qualified medical education interest’ means an amount which bears the same ratio to the interest paid on qualified educational loans during the taxable year by an individual performing services under a qualified rural medical practice agreement as—

“(A) the number of months during the taxable year during which such services were performed, bears to  
 “(B) the number of months in the taxable year.

“(2) DOLLAR LIMITATION.—The aggregate amount which may be treated as qualified

medical education interest for any taxable year with respect to any individual shall not exceed \$5,000.

“(3) QUALIFIED RURAL MEDICAL PRACTICE AGREEMENT.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘qualified rural medical practice agreement’ means a written agreement between an individual and an applicable rural community under which the individual agrees—

“(i) in the case of a medical doctor, upon completion of the individual’s residency (or internship if no residency is required), or

“(ii) in the case of a registered nurse, nurse practitioner, or physician’s assistant, upon completion of the education to which the qualified education loan relates,

to perform full-time services as such a medical professional in the applicable rural community for a period of 24 consecutive months. An individual and an applicable rural community may elect to have the agreement apply for 36 consecutive months rather than 24 months.

“(B) SPECIAL RULE FOR COMPUTING PERIODS.—An individual shall be treated as meeting the 24 or 36 consecutive month requirement under subparagraph (A) if, during each 12-consecutive month period within either such period, the individual performs full-time services as a medical doctor, registered nurse, nurse practitioner, or physician’s assistant, whichever applies, in the applicable rural community during 9 of the months in such 12-consecutive month period. For purposes of this subsection, an individual meeting the requirements of the preceding sentence shall be treated as performing services during the entire 12-month period.

“(C) APPLICABLE RURAL COMMUNITY.—The term ‘applicable rural community’ means—

“(i) any political subdivision of a State which—  
 “(I) has a population of 5,000 or less, and  
 “(II) has a per capita income of \$15,000 or less, or  
 “(ii) an Indian reservation which has a per capita income of \$15,000 or less.

“(4) QUALIFIED EDUCATIONAL LOAN.—The term ‘qualified educational loan’ means any indebtedness to pay qualified tuition and related expenses (within the meaning of section 117(b)) and reasonable living expenses—

“(A) which are paid or incurred—  
 “(i) as a candidate for a degree as a medical doctor at an educational institution described in section 170(b)(1)(A)(ii), or  
 “(ii) in connection with courses of instruction at such an institution necessary for certification as a registered nurse, nurse practitioner, or physician’s assistant, and  
 “(B) which are paid or incurred within a reasonable time before or after such indebtedness is incurred.

“(5) RECAPTURE.—If an individual fails to carry out a qualified rural medical practice agreement during any taxable year, then—

“(A) no deduction with respect to such agreement shall be allowable by reason of subsection (h)(2)(F) for such taxable year and any subsequent taxable year, and  
 “(B) there shall be included in gross income for such taxable year the aggregate amount of the deductions allowable under this section (by reason of subsection (h)(2)(F)) for all preceding taxable years.

“(6) DEFINITIONS.—For purposes of this subsection, the terms ‘registered nurse’, ‘nurse practitioner’, and ‘physician’s assistant’ have the meaning given such terms by section 1861 of the Social Security Act.”

(3) DEDUCTION ALLOWED IN COMPUTING ADJUSTED GROSS INCOME.—Section 62(a) of such

Code is amended by inserting after paragraph (13) the following new paragraph:

"(14) INTEREST ON STUDENT LOANS OF RURAL HEALTH PROFESSIONALS.—The deduction allowable by reason of section 163(h)(2)(F) (relating to student loan payments of medical professionals practicing in rural areas)."

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 1993.

#### Subtitle B—Public Health Service Act Provisions

##### SEC. 511. NATIONAL HEALTH SERVICE CORPS.

Section 338H(b) of the Public Health Service Act (42 U.S.C. 254q(b)) is amended—

(1) in paragraph (1), by striking "and such sums" and all that follows through the end thereof and inserting "\$118,900,000 for each of the fiscal years 1993 through 1996."; and

(2) in paragraph (2)—

(A) by redesignating subparagraphs (A) and (B) as subparagraphs (B) and (C), respectively; and

(B) by inserting before subparagraph (B) (as so redesignated) the following new subparagraph:

"(A) IN GENERAL.—Of the amount appropriated under paragraph (1) for each fiscal year, the Secretary shall utilize 25 percent of such amount to carry out section 338A and 75 percent of such amount to carry out section 338B."

##### SEC. 512. ESTABLISHMENT OF GRANT PROGRAM.

Subpart I of part D of title III of the Public Health Service Act (42 U.S.C. 254b et seq.) is amended by adding at the end thereof the following new section:

##### "SEC. 330A. COMMUNITY BASED PRIMARY HEALTH CARE GRANT PROGRAM.

"(a) ESTABLISHMENT.—The Secretary shall establish and administer a program to provide allotments to States to enable such States to provide grants for the creation or enhancement of community based primary health care entities that provide services to pregnant women and children up to age three.

"(b) ALLOTMENTS TO STATES.—

"(1) IN GENERAL.—From the amounts available for allotment under subsection (h) for a fiscal year, the Secretary shall allot to each State an amount equal to the product of the grant share of the State (as determined under paragraph (2)) multiplied by the amount available for allotment for such fiscal year.

"(2) GRANT SHARE.—

"(A) IN GENERAL.—For purposes of paragraph (1), the grant share of a State shall be the product of the need-adjusted population of the State (as determined under subparagraph (B)) multiplied by the Federal matching percentage of the State (as determined under subparagraph (C)), expressed as a percentage of the sum of the products of such factors for all States.

"(B) NEED-ADJUSTED POPULATION.—

"(i) IN GENERAL.—For purposes of subparagraph (A), the need-adjusted population of a State shall be the product of the total population of the State (as estimated by the Secretary of Commerce) multiplied by the need index of the State (as determined under clause (ii)).

"(ii) NEED INDEX.—For purposes of clause (i), the need index of a State shall be the ratio of—

"(I) the weighted sum of the geographic percentage of the State (as determined under clause (iii)), the poverty percentage of the State (as determined under clause (iv)), and the multiple grant percentage of the State (as determined under clause (v)); to

"(II) the general population percentage of the State (as determined under clause (vi)).

"(iii) GEOGRAPHIC PERCENTAGE.—

"(I) IN GENERAL.—For purposes of clause (ii)(I), the geographic percentage of the State shall be the estimated population of the State that is residing in nonurbanized areas (as determined under subclause (II)) expressed as a percentage of the total nonurbanized population of all States.

"(II) NONURBANIZED POPULATION.—For purposes of subclause (I), the estimated population of the State that is residing in nonurbanized areas shall be one minus the urbanized population of the State (as determined using the most recent decennial census), expressed as a percentage of the total population of the State (as determined using the most recent decennial census), multiplied by the current estimated population of the State.

"(iv) POVERTY PERCENTAGE.—For purposes of clause (ii)(I), the poverty percentage of the State shall be the estimated number of people residing in the State with incomes below 200 percent of the income official poverty line (as determined by the Office of Management and Budget) expressed as a percentage of the total number of such people residing in all States

"(v) MULTIPLE GRANT PERCENTAGE.—For purposes of clause (ii)(I), the multiple grant percentage of the State shall be the amount of Federal funding received by the State under grants awarded under sections 329, 330 and 340, expressed as a percentage of the total amounts received under such grants by all States. With respect to a State, such amount shall not exceed twice the general population percentage of the State under clause (vi) or be less than one half of the States general population percentage.

"(vi) GENERAL POPULATION PERCENTAGE.—For purposes of clause (ii)(II), the general population percentage of the State shall be the total population of the State (as determined by the Secretary of Commerce) expressed as a percentage of the total population of all States.

"(C) FEDERAL MATCHING PERCENTAGE.—

"(i) IN GENERAL.—For purposes of subparagraph (A), the Federal matching percentage of the State shall be equal to one less the State matching percentage (as determined under clause (ii)).

"(ii) STATE MATCHING PERCENTAGE.—For purposes of clause (ii), the State matching percentage of the State shall be 0.25 multiplied by the ratio of the total taxable resource percentage (as determined under clause (iii)) to the need-adjusted population of the State (as determined under subparagraph (B)).

"(iii) TOTAL TAXABLE RESOURCE PERCENTAGE.—For purposes of clause (ii), the total taxable resources percentage of the State shall be the total taxable resources of a State (as determined by the Secretary of the Treasury) expressed as a percentage of the sum of the total taxable resources of all States.

"(3) ANNUAL ESTIMATES.—

"(A) IN GENERAL.—If the Secretary of Commerce does not produce the annual estimates required under paragraph (2)(B)(iv), such estimates shall be determined by multiplying the percentage of the population of the State that is below 200 percent of the income official poverty line as determined using the most recent decennial census by the most recent estimate of the total population of the State. Except as provided in subparagraph (B), the calculations required under this subparagraph shall be made based on the most

recent 3 year average of the total taxable resources of individuals within the State.

"(B) DISTRICT OF COLUMBIA.—Notwithstanding subparagraph (A), the calculations required under such subparagraph with respect to the District of Columbia shall be based on the most recent 3 year average of the personal income of individuals residing within the District as a percentage of the personal income for all individuals residing within the District, as determined by the Secretary of Commerce.

"(4) MATCHING REQUIREMENT.—A State that receives an allotment under this section shall make available State resources (either directly or indirectly) to carry out this section in an amount that shall equal the State matching percentage for the State (as determined under paragraph (2)(C)(II)) divided by the Federal matching percentage (as determined under paragraph (2)(C)).

"(c) APPLICATION.—

"(1) IN GENERAL.—To be eligible to receive an allotment under this section, a State shall prepare and submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may by regulation require.

"(2) ASSURANCES.—A State application submitted under paragraph (1) shall contain an assurance that—

"(A) the State will use amounts received under its allotment consistent with the requirements of this section; and

"(B) the State will provide, from non-Federal sources, the amounts required under subsection (b)(4).

"(d) USE OF FUNDS.—

"(1) IN GENERAL.—The State shall use amounts received under this section to award grants to eligible public and nonprofit private entities, or consortia of such entities, within the State to enable such entities or consortia to provide services of the type described in paragraph (2) of section 329(h) to pregnant women and children up to age three.

"(2) ELIGIBILITY.—To be eligible to receive a grant under paragraph (1), an entity or consortium shall—

"(A) prepare and submit to the administering entity of the State, an application at such time, in such manner and containing such information as such administering entity may require, including a plan for the provision of services;

"(B) provide assurances that services will be provided under the grant at fee rates established or determined in accordance with section 330(e)(3)(F); and

"(C) provide assurances that in the case of services provided to individuals with health insurance, such insurance shall be used as the primary source of payment for such services.

"(3) TARGET POPULATIONS.—Entities or consortia receiving grants under paragraph (1) shall, in providing the services described in paragraph (3), substantially target populations of pregnant women and children within the State who—

"(A) lack the health care coverage, or ability to pay, for primary or supplemental health care services; or

"(B) reside in medically underserved or health professional shortage areas, areas certified as underserved under the rural health clinic program, or other areas determined appropriate by the State, within the State.

"(4) PRIORITY.—In awarding grants under paragraph (1), the State shall—

"(A) give priority to entities or consortia that can demonstrate through the plan submitted under paragraph (2) that—

"(i) the services provided under the grant will expand the availability of primary care services to the maximum number of pregnant women and children who have no access to such care on the date of the grant award; and

"(ii) the delivery of services under the grant will be cost-effective; and

"(B) ensure that an equitable distribution of funds is achieved among urban and rural entities or consortia.

"(e) **REPORTS AND AUDITS.**—Each State shall prepare and submit to the Secretary annual reports concerning the State's activities under this section which shall be in such form and contain such information as the Secretary determines appropriate. Each such State shall establish fiscal control and fund accounting procedures as may be necessary to assure that amounts received under this section are being disbursed properly and are accounted for, and include the results of audits conducted under such procedures in the reports submitted under this subsection.

"(f) **PAYMENTS.**—

"(1) **ENTITLEMENT.**—Each State for which an application has been approved by the Secretary under this section shall be entitled to payments under this section for each fiscal year in an amount not to exceed the State's allotment under subsection (b) to be expended by the State in accordance with the terms of the application for the fiscal year for which the allotment is to be made.

"(2) **METHOD OF PAYMENTS.**—The Secretary may make payments to a State in installments, and in advance or, by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

"(3) **STATE SPENDING OF PAYMENTS.**—Payments to a State from the allotment under subsection (b) for any fiscal year must be expended by the State in that fiscal year or in the succeeding fiscal year.

"(g) **DEFINITION.**—As used in this section, the term 'administering entity of the State' means the agency or official designated by the chief executive officer of the State to administer the amounts provided to the State under this section.

"(h) **FUNDING.**—Notwithstanding any other provision of law, the Secretary shall use 50 percent of the amounts that the Secretary is required to utilize under section 330B(h) in each fiscal year to carry out this section."

**SEC. 513. ESTABLISHMENT OF NEW PROGRAM TO PROVIDE FUNDS TO ALLOW FEDERALLY QUALIFIED HEALTH CENTERS AND OTHER ENTITIES OR ORGANIZATIONS TO PROVIDE EXPANDED SERVICES TO MEDICALLY UNDERSERVED INDIVIDUALS.**

(a) **IN GENERAL.**—Subpart I of part D of title III of the Public Health Service Act (42 U.S.C. 254b et seq.) (as amended by section 512) is further amended by adding at the end thereof the following new section:

**"SEC. 330B. ESTABLISHMENT OF NEW PROGRAM TO PROVIDE FUNDS TO ALLOW FEDERALLY QUALIFIED HEALTH CENTERS AND OTHER ENTITIES OR ORGANIZATIONS TO PROVIDE EXPANDED SERVICES TO MEDICALLY UNDERSERVED INDIVIDUALS.**

"(a) **ESTABLISHMENT OF HEALTH SERVICES ACCESS PROGRAM.**—From amounts appropriated under this section, the Secretary shall, acting through the Bureau of Health Care Delivery Assistance, award grants under this section to federally qualified health centers (hereinafter referred to in this section as 'FQHC's') and other entities and organizations submitting applications under this section (as described in subsection (c))

for the purpose of providing access to services for medically underserved populations (as defined in section 330(b)(3)) or in high impact areas (as defined in section 329(a)(5)) not currently being served by a FQHC.

"(b) **ELIGIBILITY FOR GRANTS.**—

"(1) **IN GENERAL.**—The Secretary shall award grants under this section to entities or organizations described in this paragraph and paragraph (2) which have submitted a proposal to the Secretary to expand such entities or organizations operations (including expansions to new sites (as determined necessary by the Secretary)) to serve medically underserved populations or high impact areas not currently served by a FQHC and which—

"(A) have as of January 1, 1992, been certified by the Secretary as a FQHC under section 1905(1)(2)(B) of the Social Security Act; or

"(B) have submitted applications to the Secretary to qualify as FQHC's under such section 1905(1)(2)(B); or

"(C) have submitted a plan to the Secretary which provides that the entity will meet the requirements to qualify as a FQHC when operational.

"(2) **NON FQHC ENTITIES.**—

"(A) **ELIGIBILITY.**—The Secretary shall also make grants under this section to public or private nonprofit agencies, health care entities or organizations which meet the requirements necessary to qualify as a FQHC except, the requirement that such entity have a consumer majority governing board and which have submitted a proposal to the Secretary to provide those services provided by a FQHC as defined in section 1905(1)(2)(B) of the Social Security Act and which are designed to promote access to primary care services or to reduce reliance on hospital emergency rooms or other high cost providers of primary health care services, provided such proposal is developed by the entity or organizations (or such entities or organizations acting in a consortium in a community) with the review and approval of the Governor of the State in which such entity or organization is located.

"(B) **LIMITATION.**—The Secretary shall provide in making grants to entities or organizations described in this paragraph that no more than 10 percent of the funds provided for grants under this section shall be made available for grants to such entities or organizations.

"(c) **APPLICATION REQUIREMENTS.**—

"(1) **IN GENERAL.**—In order to be eligible to receive a grant under this section, a FQHC or other entity or organization must submit an application in such form and at such time as the Secretary shall prescribe and which meets the requirements of this subsection.

"(2) **REQUIREMENTS.**—An application submitted under this section must provide—

"(A)(i) for a schedule of fees or payments for the provision of the services provided by the entity designed to cover its reasonable costs of operations; and

"(ii) for a corresponding schedule of discounts to be applied to such fees or payments, based upon the patient's ability to pay (determined by using a sliding scale formula based on the income of the patient);

"(B) assurances that the entity or organization provides services to persons who are eligible for benefits under title XVIII of the Social Security Act, for medical assistance under title XIX of such Act or for assistance for medical expenses under any other public assistance program or private health insurance program; and

"(C) assurances that the entity or organization has made and will continue to make

every reasonable effort to collect reimbursement for services—

"(i) from persons eligible for assistance under any of the programs described in subparagraph (B); and

"(ii) from patients not entitled to benefits under any such programs.

"(d) **LIMITATIONS ON USE OF FUNDS.**—

"(1) **IN GENERAL.**—From the amounts awarded to an entity or organization under this section, funds may be used for purposes of planning but may only be expended for the costs of—

"(A) assessing the needs of the populations or proposed areas to be served;

"(B) preparing a description of how the needs identified will be met;

"(C) development of an implementation plan that addresses—

"(i) recruitment and training of personnel; and

"(ii) activities necessary to achieve operational status in order to meet FQHC requirements under 1905(1)(2)(B) of the Social Security Act.

"(2) **RECRUITING, TRAINING AND COMPENSATION OF STAFF.**—From the amounts awarded to an entity or organization under this section, funds may be used for the purposes of paying for the costs of recruiting, training and compensating staff (clinical and associated administrative personnel (to the extent such costs are not already reimbursed under title XIX of the Social Security Act or any other State or Federal program)) to the extent necessary to allow the entity to operate at new or expanded existing sites.

"(3) **FACILITIES AND EQUIPMENT.**—From the amounts awarded to an entity or organization under this section, funds may be expended for the purposes of acquiring facilities and equipment but only for the costs of—

"(A) construction of new buildings (to the extent that new construction is found to be the most cost-efficient approach by the Secretary);

"(B) acquiring, expanding, or modernizing of existing facilities;

"(C) purchasing essential (as determined by the Secretary) equipment; and

"(D) amortization of principal and payment of interest on loans obtained for purposes of site construction, acquisition, modernization, or expansion, as well as necessary equipment.

"(4) **SERVICES.**—From the amounts awarded to an entity or organization under this section, funds may be expended for the payment of services but only for the costs of—

"(A) providing or arranging for the provision of all services through the entity necessary to qualify such entity as a FQHC under section 1905(1)(2)(B) of the Social Security Act;

"(B) providing or arranging for any other service that a FQHC may provide and be reimbursed for under title XIX of such Act; and

"(C) providing any unreimbursed costs of providing services as described in section 330(a) to patients.

"(e) **PRIORITIES IN THE AWARDING OF GRANTS.**—

"(1) **CERTIFIED FQHC'S.**—The Secretary shall give priority in awarding grants under this section to entities which have, as of January 1, 1992, been certified as a FQHC under section 1905(1)(2)(B) of the Social Security Act and which have submitted a proposal to the Secretary to expand their operations (including expansion to new sites) to serve medically underserved populations for high impact areas not currently served by a

FQHC. The Secretary shall give first priority in awarding grants under this section to those FQHCs or other entities which propose to serve populations with the highest degree of unmet need, and which can demonstrate the ability to expand their operations in the most efficient manner.

"(2) QUALIFIED FQHC'S.—The Secretary shall give second priority in awarding grants to entities which have submitted applications to the Secretary which demonstrate that the entity will qualify as a FQHC under section 1905(1)(2)(B) of the Social Security Act before it provides or arranges for the provision of services supported by funds awarded under this section, and which are serving or proposing to serve medically underserved populations or high impact areas which are not currently served (or proposed to be served) by a FQHC.

"(3) EXPANDED SERVICES AND PROJECTS.—The Secretary shall give third priority in awarding grants in subsequent years to those FQHCs or other entities which have provided for expanded services and project and are able to demonstrate that such entity will incur significant unreimbursed costs in providing such expanded services.

"(f) RETURN OF FUNDS TO SECRETARY FOR COSTS REIMBURSED FROM OTHER SOURCES.—To the extent that an entity or organization receiving funds under this section is reimbursed from another source for the provision of services to an individual, and does not use such increased reimbursement to expand services furnished, areas served, to compensate for costs of unreimbursed services provided to patients, or to promote recruitment, training, or retention of personnel, such excess revenues shall be returned to the Secretary.

"(g) TERMINATION OF GRANTS.—

"(1) FAILURE TO MEET FQHC REQUIREMENTS.—

"(A) IN GENERAL.—With respect to any entity that is receiving funds awarded under this section and which subsequently fails to meet the requirements to qualify as a FQHC under section 1905(1)(2)(B) or is an entity that is not required to meet the requirements to qualify as a FQHC under section 1905(1)(2)(B) of the Social Security Act but fails to meet the requirements of this section, the Secretary shall terminate the award of funds under this section to such entity.

"(B) NOTICE.—Prior to any termination of funds under this section to an entity, the entities shall be entitled to 60 days prior notice of termination and, as provided by the Secretary in regulations, an opportunity to correct any deficiencies in order to allow the entity to continue to receive funds under this section.

"(2) REQUIREMENTS.—Upon any termination of funding under this section, the Secretary may (to the extent practicable)—

"(A) sell any property (including equipment) acquired or constructed by the entity using funds made available under this section or transfer such property to another FQHC, provided, that the Secretary shall reimburse any costs which were incurred by the entity in acquiring or constructing such property (including equipment) which were not supported by grants under this section; and

"(B) recoup any funds provided to an entity terminated under this section.

"(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, \$400,000,000 for fiscal year 1993, \$800,000,000 for fiscal year 1994, \$1,200,000,000 for fiscal year 1995, \$1,600,000,000

for fiscal year 1996, and \$1,600,000,000 for fiscal year 1997."

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall become effective with respect to services furnished by a federally qualified health center or other qualifying entity described in this section beginning on or after October 1, 1993.

(c) STUDY AND REPORT ON SERVICES PROVIDED BY COMMUNITY HEALTH CENTERS AND HOSPITALS.—

(1) IN GENERAL.—The Secretary of Health and Human Services (hereinafter referred to in this subsection as the "Secretary") shall provide for a study to examine the relationship and interaction between community health centers and hospitals in providing services to individuals residing in medically underserved areas. The Secretary shall ensure that the National Rural Research Centers participate in such study.

(2) REPORT.—The Secretary shall provide to the appropriate committees of Congress a report summarizing the findings of the study within 90 days of the end of each project year and shall include in such report recommendations on methods to improve the coordination of and provision of services in medically underserved areas by community health centers and hospitals.

(3) AUTHORIZATION.—There are authorized to be appropriated to carry out the study provided for in this subsection \$150,000 for each of fiscal years 1993 and 1994.

#### SEC. 514. RURAL MENTAL HEALTH OUTREACH GRANTS.

Part D of title V of the Public Health Service Act (42 U.S.C. 290dd et seq.) is amended by adding at the end thereof the following new section:

#### "SEC. 544. RURAL MENTAL HEALTH OUTREACH GRANTS.

"(a) IN GENERAL.—The Secretary may award competitive grants to eligible entities to enable such entities to develop and implement a plan for mental health outreach programs in rural areas.

"(b) ELIGIBLE ENTITIES.—To be eligible to receive a grant under subsection (a) an entity shall—

"(1) prepare and submit to the Secretary an application at such time, in such form and containing such information as the Secretary may require, including a description of the activities that the entity intends to undertake using grant funds; and

"(2) meet such other requirements as the Secretary determines appropriate.

"(c) PRIORITY.—In awarding grants under subsection (a), the Secretary shall give priority to applications that place emphasis on mental health services for the elderly or children. Priority shall also be given to applications that involve relationships between the applicant and rural managed care cooperatives.

"(d) MATCHING REQUIREMENT.—An entity that receives a grant under subsection (a) shall make available (directly or through donations from public or private entities), non-Federal contributions toward the costs of the operations of the network in an amount equal to the amount of the grant.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, \$5,000,000 for each of the fiscal years 1993 through 1997."

#### SEC. 515. HEALTH PROFESSIONS TRAINING.

(a) MEDICALLY UNDERSERVED AREA TRAINING INCENTIVES.—Subsection (a) of section 791 of the Public Health Service Act (42 U.S.C. 292 et seq.) is amended to read as follows:

"(a) PRIORITIES IN AWARDING OF GRANTS.—

"(1) ALLOCATION OF COMPETITIVE GRANT FUNDS.—In awarding competitive grants under this title or title VIII, the Secretary shall, among applicants that meet the eligibility requirements under such titles, give priority to entities submitting applications that—

"(A) can demonstrate that such entities—

"(i) have a high permanent rate for placing graduates in practice settings which serve residents of medically underserved communities; and

"(ii) have a curriculum that includes—

"(I) the rotation of medical students and residents to clinical settings the focus of which is to serve medically underserved communities;

"(II) the appointment of health professionals whose practices serve medically underserved communities to act as preceptors to supervise training in such settings;

"(III) classroom instruction on practice opportunities involving medically underserved communities;

"(IV) service contingent scholarship or loan repayment programs for students and residents to encourage practice in or service to underserved communities;

"(V) the recruitment of students who are most likely to elect to practice in or provide service to medically underserved communities;

"(VI) other training methodologies that demonstrate a significant commitment to the expansion of the proportion of graduates that elect to practice in or serve the needs of medically underserved communities; or

"(B) contain an organized plan for the expeditious development of the placement rate and curriculum described in subparagraph (A).

"(2) SERVICE IN MEDICALLY UNDERSERVED COMMUNITIES.—Not less than 50 percent of the amounts appropriated for fiscal year 1996, and for each subsequent fiscal year, for competitive grants under this title or title VIII, shall be used to award grants to institutions that are otherwise eligible for grants under such titles, and that can demonstrate that—

"(A) not less than 15 percent of the graduates of such institutions during the preceding 2-year period are engaged in full-time practice serving the needs of medically underserved communities; or

"(B) the number of the graduates of such institutions that are practicing in a medically underserved community has increased by not less than 50 percent over that proportion of such graduates for the previous 2-year period.

"(3) WAIVERS.—A health professions school may petition the Secretary for a temporary waiver of the priorities of this subsection. Such waiver shall be approved if the health professions school demonstrates that the State in which such school is located is not suffering from a shortage of primary care providers, as determined by the Secretary. Such waiver shall not be for a period in excess of 2 years.

"(4) DEFINITIONS.—As used in this subsection:

"(A) GRADUATE.—The term 'graduate' means, unless otherwise specified, an individual who has successfully completed all training and residency requirements necessary for full certification in the health professions discipline that such individual has selected.

"(B) MEDICALLY UNDERSERVED COMMUNITY.—The term 'medically underserved community' means—

"(i) an area designated under section 332 as a health professional shortage area;

"(ii) an area designated as a medically underserved area under this Act;

"(iii) populations served by migrant health centers under section 329, community health centers under section 330, or Federally qualified health centers under section 1905(1)(2)(B) of the Social Security Act;

"(iv) a community that is certified as underserved by the Secretary for purposes of participation in the rural health clinic program under title XVIII of the Social Security Act; or

"(v) a community that meets the criteria for the designation described in subparagraph (A) or (B) but that has not been so designated."

(b) **MEDICALLY UNDERSERVED AREA TRAINING GRANTS.**—Part E of title VII of such Act is amended by adding at the end thereof the following new section:

**"SEC. 779. MEDICALLY UNDERSERVED AREA TRAINING GRANT PROGRAM.**

"(a) **GRANTS.**—The Secretary shall award grants to health professions institutions to expand training programs that are targeted at those individuals desiring to practice in or serve the needs of medically underserved communities.

"(b) **PLAN.**—As part of an application submitted for a grant under this section, the applicant shall prepare and submit a plan that describes the proposed use of funds that may be provided to the applicant under the grant.

"(c) **PRIORITY.**—In awarding grants under this section, the Secretary shall give priority to applicants that demonstrate the greatest likelihood of expanding the proportion of graduates who choose to practice in or serve the needs of medically underserved areas.

"(d) **USE OF FUNDS.**—An institution that receives a grant under this section shall use amounts received under such grant to establish or enhance procedures or efforts to—

"(1) rotate health professions students from such institution to clinical settings the focus of which is to serve the residents of medically underserved communities;

"(2) appoint health professionals whose practices serve medically underserved areas to serve as preceptors to supervise training in such settings;

"(3) provide classroom instruction on practice opportunities involving medically underserved communities;

"(4) provide service contingent scholarship or loan repayment programs for students and residents to encourage practice in or service to underserved communities;

"(5) recruit students who are most likely to elect to practice in or provide service to medically underserved communities; or

"(6) provide other training methodologies that demonstrate a significant commitment to the expansion of the proportion of graduates that elect to practice in or serve the needs of medically underserved communities.

"(e) **ADMINISTRATION.**—

"(1) **REQUIRED CONTRIBUTION.**—An institution that receives a grant under this section shall contribute, from non-Federal sources, either in cash or in-kind, an amount equal to the amount of the grant to the activities to be undertaken with the grant funds.

"(2) **LIMITATION.**—An institution that receives a grant under this section, shall use amounts received under such grant to supplement, not supplant, amounts made available by such institution for activities of the type described in subsection (d) in the fiscal year preceding the year for which the grant is received.

"(f) **DEFINITIONS.**—As used in this section:

"(1) **GRADUATE.**—The term 'graduate' means, unless otherwise specified, an indi-

vidual who has successfully completed all training and residency requirements necessary for full certification in the health professions discipline that such individual has selected.

"(2) **MEDICALLY UNDERSERVED COMMUNITY.**—The term 'medically underserved community' means—

"(A) an area designated under section 332 as a health professional shortage area;

"(B) an area designated as a medically underserved area under this Act;

"(C) populations served by migrant health centers under section 329, community health centers under section 330, or Federally qualified health centers under section 1905(1)(2)(B) of the Social Security Act;

"(D) a community that is certified as underserved by the Secretary for purposes of participation in the rural health clinic program under title XVIII of the Social Security Act; or

"(E) a community that meets the criteria for the designation described in subparagraph (A) or (B) but that has not been so designated.

"(g) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to carry out this section, \$15,000,000 for each of the fiscal years 1993 and 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1997."

(c) **HEALTH PROFESSIONS TRAINING GRANTS.**—Part E of title VII of such Act (as amended by subsection (b)) is further amended by adding at the end thereof the following new section:

**"SEC. 780. HEALTH PROFESSIONS INTEGRATION GRANT PROGRAM.**

"(a) **GRANTS.**—The Secretary shall award grants to eligible regional consortia to enhance and expand coordination among various health professions programs, particularly in medically underserved rural areas.

"(b) **ELIGIBLE REGIONAL CONSORTIUM.**—

"(1) **IN GENERAL.**—To be eligible to receive a grant under subsection (a), an entity must—

"(A) be a regional consortium consisting of at least one medical school and at least one other health professions school that is not a medical school; and

"(B) prepare and submit an application containing a plan of the type described in paragraph (2).

"(2) **PLAN.**—As part of the application submitted by a consortium under paragraph (1)(B), the consortium shall prepare and submit a plan that describes the proposed use of funds that may be provided to the consortium under the grant.

"(c) **USE OF FUNDS.**—A consortium that receives a grant under this section shall use amounts received under such grant to establish or enhance—

"(1) strategies for better clinical cooperation among different types of health professionals;

"(2) classroom instruction on integrated practice opportunities, particularly targeted toward rural areas;

"(3) integrated clinical clerkship programs that make use of students in differing health professions schools; or

"(4) other training methodologies that demonstrate a significant commitment to the expansion of clinical cooperation among different types of health professionals, particularly in underserved rural areas.

"(d) **LIMITATION.**—A consortium that receives a grant under this section, shall use amounts received under such grant to supplement, not supplant, amounts made available by such institution for activities of the

type described in subsection (c) in the fiscal year preceding the year for which the grant is received.

"(e) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to carry out this section, \$7,000,000 for each of the fiscal years 1993 and 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1997."

**SEC. 516. RURAL HEALTH EXTENSION NETWORKS.**

Title XVII of the Public Health Service Act (42 U.S.C. 300u et seq.) is amended by adding at the end thereof the following new section:

**"SEC. 1709. RURAL HEALTH EXTENSION NETWORKS.**

"(a) **GRANTS.**—The Secretary, acting through the Health Resources and Services Administration, may award competitive grants to eligible entities to enable such entities to facilitate the development of networks among rural and urban health care providers to preserve and share health care resources and enhance the quality and availability of health care in rural areas. Such networks may be statewide or regionalized in focus.

"(b) **ELIGIBLE ENTITIES.**—To be eligible to receive a grant under subsection (a) an entity shall—

"(1) be a rural health extension network that meets the requirements of subsection (c);

"(2) prepare and submit to the Secretary an application at such time, in such form and containing such information as the Secretary may require; and

"(3) meet such other requirements as the Secretary determines appropriate.

"(c) **NETWORKS.**—For purposes of subsection (b)(1), a rural health extension network shall be an association or consortium of three or more rural health care providers, and may include one or more urban health care provider, for the purposes of applying for a grant under this section and using amounts received under such grant to provide the services described in subsection (d).

"(d) **SERVICES.**—

"(1) **IN GENERAL.**—An entity that receives a grant under subsection (a) shall use amounts received under such grant to—

"(A) provide education and community decision-making support for health care providers in the rural areas served by the network;

"(B) utilize existing health care provider education programs, including but not limited to, the program for area health education centers under section 746, to provide educational services to health care providers in the areas served by the network;

"(C) make appropriately trained facilitators available to health care providers located in the areas served by the network to assist such providers in developing cooperative approaches to health care in such area;

"(D) facilitate linkage building through the organization of discussion and planning groups and the dissemination of information concerning the health care resources where available, within the area served by the network;

"(E) support telecommunications and consultative projects to link rural hospitals and other health care providers, and urban or tertiary hospitals in the areas served by the network; or

"(F) carry out any other activity determined appropriate by the Secretary.

"(2) **EDUCATION.**—In carrying out activities under paragraph (1)(B), an entity shall sup-

port the development of an information and resource sharing system, including elements targeted towards high risk populations and focusing on health promotion, to facilitate the ability of rural health care providers to have access to needed health care information. Such activities may include the provision of training to enable individuals to serve as coordinators of health education programs in rural areas.

"(3) COLLECTION AND DISSEMINATION OF DATA.—The chief executive officer of a State shall designate a State agency that shall be responsible for collecting and regularly disseminating information concerning the activities of the rural health extension networks in that State.

"(e) MATCHING REQUIREMENT.—An entity that receives a grant under subsection (a) shall make available (directly or through donations from public or private entities), non-Federal contributions towards the costs of the operations of the network in an amount equal to the amount of the grant.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, \$10,000,000 for each of the fiscal years 1993 through 1997.

"(g) DEFINITION.—As used in this section and section 1710, the term 'rural health care providers' means health care professionals and hospitals located in rural areas. The Secretary shall ensure that for purposes of this definition, rural areas shall include any area that meets any applicable Federal or State definition of rural area."

#### SEC. 517. RURAL MANAGED CARE COOPERATIVES.

Title XVII of the Public Health Service Act (42 U.S.C. 300u et seq.) as amended by section 516 is further amended by adding at the end thereof the following new section:

#### "SEC. 1710. RURAL MANAGED CARE COOPERATIVES.

"(a) GRANTS.—The Secretary, acting through the Health Resources and Services Administration, may award competitive grants to eligible entities to enable such entities to develop and administer cooperatives in rural areas that will establish an effective case management and reimbursement system designed to support the economic viability of essential public or private health services, facilities, health care systems and health care resources in such rural areas.

"(b) ELIGIBLE ENTITIES.—To be eligible to receive a grant under subsection (a) an entity shall—

"(1) prepare and submit to the Secretary an application at such time, in such form and containing such information as the Secretary may require, including a description of the cooperative that the entity intends to develop and operate using grant funds; and

"(2) meet such other requirements as the Secretary determines appropriate.

"(c) COOPERATIVES.—

"(1) IN GENERAL.—Amounts provided under a grant awarded under subsection (a) shall be used to establish and operate a cooperative made up of all types of health care providers, hospitals, primary access hospitals, other alternate rural health care facilities, physicians, rural health clinics, rural nurse practitioners and physician assistant practitioners, public health departments and others located in, but not restricted to, the rural areas to be served by the cooperative.

"(2) BOARD OF DIRECTORS.—A cooperative established under paragraph (1) shall be administered by a board of directors elected by the members of the cooperative, a majority of whom shall represent rural providers from the local community and include representa-

tives from the local community. Such directors shall serve at the pleasure of such members.

"(3) EXECUTIVE DIRECTOR.—The members of a cooperative established under paragraph (1) shall elect an executive director who shall serve as the chief operating officer of the cooperative. The executive director shall be responsible for conducting the day to day operation of the cooperative including—

"(A) maintaining an accounting system for the cooperative;

"(B) maintaining the business records of the cooperative;

"(C) negotiating contracts with provider members of the cooperative; and

"(D) coordinating the membership and programs of the cooperative.

"(4) REIMBURSEMENTS.—

"(A) NEGOTIATIONS.—A cooperative established under paragraph (1) shall facilitate negotiations among member health care providers and third party payers concerning the rates at which such providers will be reimbursed for services provided to individuals for which such payers may be liable.

"(B) AGREEMENTS.—Agreements reached under subparagraph (A) shall be binding on the members of the cooperative.

"(C) EMPLOYERS.—Employer entities may become members of a cooperative established under paragraph (a) in order to provide, through a member third party payer, health insurance coverage for employees of such entities. Deductibles shall only be charged to employees covered under such insurance if such employees receive health care services from a provider that is not a member of the cooperative if similar services would have been available from a member provider.

"(D) MALPRACTICE INSURANCE.—A cooperative established under subsection (a) shall be responsible for identifying and implementing a malpractice insurance program that shall include a requirement that such cooperative assume responsibility for the payment of a portion of the malpractice insurance premium of providers members.

"(5) MANAGED CARE AND PRACTICE STANDARDS.—A cooperative established under paragraph (1) shall establish joint case management and patient care practice standards programs that health care providers that are members of such cooperative must meet to be eligible to participate in agreements entered into under paragraph (4). Such standards shall be developed by such provider members and shall be subject to the approval of a majority of the board of directors. Such programs shall include cost and quality of care guidelines including a requirement that such providers make available preadmission screening, selective case management services, joint patient care practice standards development and compliance and joint utilization review.

"(6) CONFIDENTIALITY.—Patients records, records of peer review, utilization review, and quality assurance proceedings conducted by the cooperative should be considered confidential and protected from release outside of the cooperative. The provider members of the cooperative shall be indemnified by the cooperative for the good faith participation by such members in such the required activities.

"(d) LINKAGES.—A cooperative shall create linkages among member health care providers, employers, and payers for the joint consultation and formulation of the types, rates, costs, and quality of health care provided in rural areas served by the cooperative.

"(e) MATCHING REQUIREMENT.—An entity that receives a grant under subsection (a) shall make available (directly or through donations from public or private entities), non-Federal contributions towards the costs of the operations of the network in an amount equal to the amount of the grant.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, \$15,000,000 for each of the fiscal years 1993 through 1997."

#### TITLE VI—MALPRACTICE REFORM

##### SEC. 601. PRELITIGATION SCREENING PANEL GRANTS.

Part B of title IX of the Public Health Service Act (42 U.S.C. 299b et seq.) is amended by adding at the end the following new section:

##### "SEC. 915. PRELITIGATION SCREENING PANEL GRANTS.

"(a) ESTABLISHMENT.—The Assistant Secretary, acting through the Administrator, shall establish a program of grants to assist States in establishing prelitigation panels.

"(b) USE OF FUNDS.—A State may use a grant awarded under subsection (a) to establish prelitigation panels that—

"(1) identify claims of professional negligence that merit compensation;

"(2) encourage early resolution of meritorious claims prior to commencement of a lawsuit; and

"(3) encourage early withdrawal or dismissal of nonmeritorious claims.

"(c) AWARD OF GRANTS.—The Secretary shall allocate grants under this section in accordance with criteria issued by the Secretary.

"(d) APPLICATION.—To be eligible to receive a grant under this section, a State, acting through the appropriate State health authority, shall submit an application at such time, in such manner, and containing such agreements, assurances, and information as the Assistant Secretary determines to be necessary to carry out this section.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the 1994 through 1997 fiscal years."

#### TITLE VII—HEALTH PROMOTION AND DISEASE PREVENTION

##### SEC. 701. DISEASE PREVENTION AND HEALTH PROMOTION PROGRAMS TREATED AS MEDICAL CARE.

(a) IN GENERAL.—For purposes of section 213(d)(1) of the Internal Revenue Code of 1986 (defining medical care), qualified expenditures (as defined by the Secretary of Health and Human Services) for disease prevention and health promotion programs shall be considered amounts paid for medical care.

(b) EFFECTIVE DATE.—Subsection (a) shall apply to amounts paid in taxable years beginning after December 31, 1992.

##### SEC. 702. WORKSITE WELLNESS GRANT PROGRAM.

(a) GRANTS.—The Secretary of Health and Human Services (hereafter referred to as the "Secretary") shall award grants to States (through State health departments or other State agencies working in consultation with the State health agency) to enable such States to provide assistance to businesses with not to exceed 100 employees for the establishment and operation of worksite wellness programs for their employees.

(b) APPLICATION.—To be eligible for a grant under subsection (a), a State shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including—

(1) a description of the manner in which the State intends to use amounts received under the grant; and

(2) assurances that the State will only use amounts provided under such grant to provide assistance to businesses that can demonstrate that they are in compliance with minimum program characteristics (relative to scope and regularity of services offered) that are developed by the Secretary in consultation with experts in public health and representatives of small business.

Grants shall be distributed to States based on the population of individuals employed by small businesses.

(c) PROGRAM CHARACTERISTICS.—In developing minimum program characteristics under subsection (b)(2), the Secretary shall ensure that all activities established or enhanced under a grant under this section have clearly defined goals and objectives and demonstrate how receipt of such assistance will help to achieve established State or local health objectives based on the National Health Promotion and Disease Prevention Objectives.

(d) USE OF FUNDS.—Amounts received under a grant awarded under subsection (a) shall be used by a State to provide grants to businesses (as described in subsection (a)), nonprofit organizations, or public authorities, or to operate State-run worksite wellness programs.

(e) SPECIAL EMPHASIS.—In funding business worksite wellness projects under this section, a State shall give special emphasis to—

(1) the development of joint wellness programs between employers;

(2) the development of employee assistance programs dealing with substance abuse;

(3) maximizing the use and coordination with existing community resources such as nonprofit health organizations; and

(4) encourage participation of dependents of employees and retirees in wellness programs.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, such sums as may be necessary in each of the fiscal years 1994 through 1998.

#### SEC. 703. EXPANDING AND IMPROVING SCHOOL HEALTH EDUCATION.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out subsection (b), such sums as may be necessary for each of the fiscal years 1994 through 1998.

(b) GENERAL USE OF FUNDS.—The Secretary of Health and Human Services shall use amounts appropriated under subsection (a) to expand comprehensive school health education programs administered by the Centers for Disease Control and Prevention under sections 301 and 311 of the Public Health Service Act (42 U.S.C. 241 and 243).

(c) SPECIFIC USE OF FUNDS.—In meeting the requirement of subsection (b), the Secretary of Health and Human Services shall expand the number of children receiving planned, sequential kindergarten through 12th grade comprehensive school education as a component of comprehensive programs of school health, including

(1) physical education programs that promote lifelong physical activity;

(2) healthy school food service selections;

(3) programs that promote a healthy and safe school environment;

(4) schoolsite health promotion for faculty and staff;

(5) integrated school and community health promotion efforts; and

(6) school nursing disease prevention and health promotion services.

(d) COORDINATION OF EXISTING PROGRAMS.—The Secretary of Health and Human Services, the Secretary of Education and the Secretary of Agriculture shall work cooperatively to coordinate existing school health education programs within their Departments in a manner that maximized the efficiency and effectiveness of Federal expenditures in this area.

#### TITLE VIII—PRESCRIPTION DRUG COST CONTAINMENT

##### SEC. 801. REDUCTION IN POSSESSIONS TAX CREDIT FOR EXCESSIVE PHARMACEUTICAL INFLATION.

(a) IN GENERAL.—Section 936 of the Internal Revenue Code of 1986 (relating to Puerto Rico and possession tax credit) is amended by adding at the end the following new subsection:

“(i) REDUCTION FOR EXCESSIVE PHARMACEUTICAL INFLATION.—

“(1) IN GENERAL.—In the case of any manufacturer of single source drugs or innovator multiple source drugs, the amount by which the credit under this section for the taxable year (determined without regard to this subsection) exceeds the manufacturer's wage base for such taxable year shall be reduced by the product of—

“(A) the amount of such excess, multiplied by

“(B) the sum of the reduction percentages for each single source drug or innovator multiple source drug of the manufacturer for such taxable year.

“(2) MANUFACTURER'S WAGE BASE.—For purposes of this subsection—

“(A) IN GENERAL.—The manufacturer's wage base for any taxable year is equal to the total amount of wages paid during such taxable year by the manufacturer to eligible employees in Puerto Rico with respect to the manufacture of single source drugs and innovator multiple source drugs.

“(B) ELIGIBLE EMPLOYEES.—The term ‘eligible employee’ means any employee of the manufacturer (as defined in section 3121(d)) who is a bona fide resident of Puerto Rico and subject to tax by Puerto Rico on income from sources within and without Puerto Rico during the entire taxable year.

“(C) WAGES.—The term ‘wages’ has the meaning given such term by section 3121(a).

“(3) REDUCTION PERCENTAGE.—For purposes of this subsection—

“(A) IN GENERAL.—The reduction percentage for any drug for any taxable year is the percentage determined by multiplying—

“(i) the sales percentage for such drug for such taxable year, by

“(ii) the price increase percentage for such drug for such taxable year.

“(B) SALES PERCENTAGE.—The sales percentage for any drug for any taxable year is the percentage determined by dividing—

“(i) the total sales of such drug by the manufacturer for such taxable year, by

“(ii) the total sales of all single source drugs and innovator multiple source drugs by the manufacturer for such taxable year.

“(C) PRICE INCREASE PERCENTAGE.—The price increase percentage for any drug for any taxable year is the percentage determined by multiplying—

“(i) 20, times

“(ii) the excess (if any) of—

“(I) the percentage increase in the average manufacturer's price for such drug for the taxable year over such average price for the base taxable year, over

“(II) the percentage increase in the Consumer Price Index (as defined in section 1(g)(5)) for the taxable year over the base taxable year.

“(D) TOTAL SALES.—

“(i) DOMESTIC SALES ONLY.—Total sales shall only include sales for use or consumption in the United States.

“(ii) SALES TO RELATED PARTIES NOT INCLUDED.—Total sales shall not include sales to any related party (as defined in section 267(b)).

“(E) AVERAGE MANUFACTURER'S PRICE.—The term ‘average manufacturer's price’ for any taxable year means the average price paid to the manufacturer by wholesalers or direct buyers and purchasers for each single source drug or innovator multiple source drug sold to the various classes of purchasers.

“(F) BASE TAXABLE YEAR.—The base taxable year for any single source drug or innovator multiple source drug is the later of—

“(i) the last taxable year ending in 1991, or

“(ii) the first taxable year beginning after the date on which the marketing of such drug begins.

“(4) OTHER DEFINITIONS.—For purposes of this subsection—

“(A) MANUFACTURER.—

“(i) IN GENERAL.—The term ‘manufacturer’ means any person which is engaged in—

“(I) the production, preparation, propagation, compounding, conversion, or processing of prescription drug products, either directly or indirectly by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, or

“(II) in the packaging, repackaging, labeling, relabeling, or distribution of prescription drug products.

Such term does not include a wholesale distributor of drugs or a retail pharmacy licensed under State law.

“(ii) CONTROLLED GROUPS.—For purposes of clause (i)—

“(I) CONTROLLED GROUP OF CORPORATIONS.—All corporations which are members of the same controlled group of corporations shall be treated as 1 person. For purposes of the preceding sentence, the term ‘controlled group of corporations’ has the meaning given to such term by section 1563(a), except that ‘more than 50 percent’ shall be substituted for ‘at least 80 percent’ each place it appears in section 1563(a)(1), and the determination shall be made without regard to subsections (a)(4) and (e)(3)(C) of section 1563.

“(II) PARTNERSHIPS, PROPRIETORSHIPS, ETC., WHICH ARE UNDER COMMON CONTROL.—Under regulations prescribed by the Secretary, all trades or business (whether or not incorporated) which are under common control shall be treated as 1 person. The regulations prescribed under this subclause shall be based on principles similar to the principles which apply in the case of subclause (I).

“(B) SINGLE SOURCE DRUG.—The term ‘single source drug’ means a drug or biological which is produced or distributed under an original new drug application or product licensing application, including a drug product or biological marketed by any cross-licensed producers or distributors operating under the new drug application or product licensing application.

“(C) INNOVATOR MULTIPLE SOURCE DRUG.—The term ‘innovator multiple source drug’ means a multiple source drug (within the meaning of section 1927(k)(7)(A)(i) of the Social Security Act) that was originally marketed under an original new drug application or a product licensing application approved by the Food and Drug Administration.

“(5) SPECIAL RULES.—For purposes of this subsection—

“(A) DOSAGE TREATMENT.—Except as provided by the Secretary, each dosage form and

strength of a single source drug or innovator multiple source drug shall be treated as a separate drug.

"(B) ROUNDING OF PERCENTAGES.—Any percentage shall be rounded to the nearest hundredth of a percent."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1993.

#### TITLE IX—FINANCING

##### SEC. 901. REPEAL OF DOLLAR LIMITATION ON AMOUNT OF WAGES SUBJECT TO HOSPITAL INSURANCE TAX.

(a) HOSPITAL INSURANCE TAX.—

(1) Paragraph (1) of section 3121(a) of the Internal Revenue Code of 1986 (defining wages) is amended—

(A) by inserting "in the case of the taxes imposed by sections 3101(a) and 3111(a)" after "(1)";

(B) by striking "applicable contribution base (as determined under subsection (x))" each place it appears and inserting "contribution and benefit base (as determined under section 230 of the Social Security Act)", and

(C) by striking "such applicable contribution base" and inserting "such contribution and benefit base".

(2) Section 3121 of such Code is amended by striking subsection (x).

(b) SELF-EMPLOYMENT TAX.—

(1) Subsection (b) of section 1402 of such Code is amended—

(A) by striking "(1) that part of net" and inserting "(1) in the case of the tax imposed by section 1401(a), that part of net";

(B) by striking "applicable contribution base (as determined under subsection (k))" and inserting "contribution and benefit base (as determined under section 230 of the Social Security Act)";

(C) by inserting "and" after "section 3121(b)", and

(D) by striking "and (C) includes" and all that follows through "3111(b)".

(2) Section 1402 of such Code is amended by striking subsection (k).

(c) RAILROAD RETIREMENT TAX.—

(1) Subparagraph (A) of section 3231(e)(2) of such Code is amended by adding at the end thereof the following new clause:

"(iii) HOSPITAL INSURANCE TAXES.—Clause (i) shall not apply to—

"(I) so much of the rate applicable under section 3201(a) or 3221(a) as does not exceed the rate of tax in effect under section 3101(b), and

"(II) so much of the rate applicable under section 3211(a)(1) as does not exceed the rate of tax in effect under section 1402(b)."

(2) Clause (i) of section 3231(e)(2)(B) of such Code is amended to read as follows:

"(i) TIER 1 TAXES.—Except as provided in clause (ii), the term 'applicable base' means for any calendar year the contribution and benefit base determined under section 230 of the Social Security Act for such calendar year."

(d) INCREASED REVENUES NOT DEPOSITED IN HOSPITAL INSURANCE TRUST FUND.—Section 1817(a) of the Social Security Act (42 U.S.C. 1395i(a)) is amended by adding at the end of the following new sentence: "For purposes of this subsection, the amount of taxes imposed by sections 1401(b), 3101(b), 3111(b) of the Internal Revenue Code of 1986 shall be determined without regard to the amendments made by section 221 of the Managed Competition Act of 1992."

(e) TECHNICAL AMENDMENTS.—

(1) Paragraph (1) of section 6413(c) of the Internal Revenue Code of 1986 is amended by striking "section 3101 or section 3201" and

inserting "section 3101(a) or section 3201(a) (to the extent the rate applicable under section 3201(a) as does not exceed the rate of tax in effect under section 3101(a))".

(2) Subparagraphs (B) and (C) of section 6413(c)(2) of such Code are each amended by striking "section 3101" each place it appears and inserting "section 3101(a)".

(3) Subsection (c) of section 6413 of such Code is amended by striking paragraph (3).

(4) Sections 3122 and 3125 of such Code are each amended by striking "applicable contribution base limitation" and inserting "contribution and benefit base limitation".

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to 1994 and later calendar years.

##### ACCESS TO AFFORDABLE HEALTH CARE ACT OF 1993—BILL SUMMARY

I. Provisions to expand access and contain costs through managed competition between health care plans:

A Federal Health Board would be appointed by the President and confirmed by the Senate.

The Board, which will be composed of individuals with national recognition for their expertise and knowledge of the health care system, would set and periodically revise a uniform set of effective benefits, with an emphasis on primary and preventive care. These benefits shall include the full range of legally authorized treatments for any health condition for which the Board has determined a treatment has been shown to reasonably improve or significantly ameliorate the condition. Determination of services to be covered under the uniform set of effective benefits would be determined on the basis of: (1) their effectiveness in improving the health status of individuals; and (2) their long-term impact on maintaining and improving health and productivity and on reducing the consumption of health care services. In determining the uniform set of effective benefits, the Board shall not discriminate against persons with serious mental illness. The Board shall also develop uniform deductible and cost-sharing requirements.

To contain costs, the Board would determine annual limits on the allowable percentage rate of increase in premiums for Accountable Health Plans (AHPs). The Board would also develop standardized claims forms and billing procedures, as well as a plan to accelerate electronic billing and computerization of medical records.

The Board will register and develop reporting standards for Accountable Health Plans on data such as cost, utilization, health outcomes and patient satisfaction. This information would be collected and published annually by the Board and made available to participating health plans and consumers through the Health Plan Purchasing Cooperatives (HPPCs) prior to each general enrollment period.

States would establish one or more regional Health Plan Purchasing Cooperatives (HPPCs) to serve as collective purchasing agents for small businesses and individuals. These HPPCs would contract with a range of competing health plans (at least two) and would present the full range of plans to their customers. The HPPC would provide consumers with information about the plans prior to enrollment periods, including a "report card" measuring performance based on cost, quality and patient satisfaction information collected by the Board. The HPPCs would also manage the enrollment process. Individual consumers would choose a plan for one year and could subsequently change plans

during an annual "open season." States could opt to purchase coverage for Medicaid beneficiaries through the purchasing cooperatives. Federal grant funding would be provided to cover States' costs in establishing and administering the HPPCs.

Insurers would enter into arrangements with providers to form Accountable Health Plans which would each offer the uniform set of effective benefits established by the Board and would compete on the basis of price and quality of care. Plans could offer "supplemental" coverage for additional services. Plans would have to take all applicants and could not exclude participants on the basis of preexisting conditions. All plans would be guaranteed renewable. Premiums could vary according to the plan, but would be the same for all members of the purchasing cooperative, regardless of age, sex, or health experience. State mandated benefit and anti-managed care laws would be preempted.

II. Tax incentives to increase access and encourage purchase of cost-effective health plans and to make the tax treatment of health benefits more equitable:

Insurance coverage would be made more affordable for low and middle-income individuals (individuals with incomes up to \$23,000 and families with incomes up to \$33,000) by providing a refundable tax credit to those without employer-provided insurance. These individuals would also now have access to reasonably priced insurance through the purchasing cooperatives, which will offer the advantage of competitive group rates and lower administrative costs. The amount of the refundable tax credit would be linked to the amount of the lowest-cost Accountable Health Plan available in the region.

Employers could only deduct benefit costs up to the level of the lowest-cost Accountable Health Plan in the region, and employer provided benefits in excess of that plan would be taxed as income.

Self-employed persons and individuals without employer provided insurance who are ineligible for the tax credit could deduct the full 100 percent of the costs of the lowest-priced Accountable Health Plan available.

III. Provisions to increase access to care in rural and underserved areas:

One of the most critical problems facing Americans in rural areas is the scarcity of doctors and other health care professionals. This proposal would increase scholarship and loan repayment opportunities to help relieve the critical shortage of health care practitioners in rural areas. It would also provide a special tax credit and other incentives for physicians and other primary care providers serving in rural areas.

Increased funding would be provided to expand the National Health Service Corps, which will also help to increase the number of health care professionals in medically underserved areas. Increased funding would also be provided for Community Health Centers, which provide comprehensive health services in rural and inner-city neighborhoods to millions of Americans who need care regardless of their ability to pay.

IV. Cooperative agreements between hospitals:

Provides a waiver from anti-trust laws for hospitals wishing to enter into voluntary cooperative agreements for the sharing of medical technology and services when that agreement has been certified by the Secretary of Health and Human Services as likely to result in a reduction in costs, an increase in access to care, and improvements in the quality of care available in the hos-

pitals involved. This provision is intended to encourage cooperation between hospitals in order to contain costs by eliminating the unnecessary duplication and proliferation of expensive high technology services or equipment.

V. Outcomes research and practice guideline development:

Increases funding for outcomes research and the development of treatment practice guidelines to establish which drugs and procedures are most effective under which circumstances in order to decrease the practice of "defensive medicine," which is estimated to cost consumers in excess of \$100 billion a year. The legislation would also allow health care providers to use the practice guidelines as a rebuttable defense in medical liability cases.

VI. Malpractice reform:

Encourages states to establish alternative dispute resolution mechanisms like prelitigation screening panels, which have had great success in a number of states in reducing medical malpractice costs.

VII. Health promotion and disease prevention:

Health insurance alone will not ensure good health. Americans must be encouraged to engage in healthy behavior and to accept more responsibility for their physical well-being.

The proposal will encourage participation in qualified health promotion and prevention programs by clarifying that expenditures for these programs are considered amounts paid for medical care for tax purposes. It also establishes a new grant program for states to provide assistance to small businesses in the establishment and operation of worksite wellness programs for their employees. And finally, the legislation would expand the comprehensive school health education programs administered by the Centers for Disease Control.

VIII. Prescription drug cost containment:

Over the past decade, prescription drug price inflation more than tripled the general inflation rate. At the same time that these prices are soaring out of reach of many Americans on fixed incomes, many drug manufacturers receive generous non-research and development tax credits under Section 936 of the tax code.

This bill establishes a formula to provide a tax incentive for drug manufacturers to keep prescription drug increases at or below the general rate of inflation. The formula specifies that if a manufacturer's Section 936 tax credit exceeds the wages paid in Puerto Rico, the excess will be subject to a reduction of 20 per cent of the Section 936 tax credit for each percentage point its drug prices increase over the general inflation rate. The reduction formula will be applied on a drug by drug basis and weighted according to the percentage of sales that each drug accounts for the manufacturer's total drug sales.

IX. Financing:

Employers could only deduct benefit costs up to the level of the lowest cost Accountable Health Plan available through the regional purchasing cooperative. Employer-provided benefits in excess of that capped amount would be taxed as income.

In addition, the proposal would lift the current \$130,200 cap on wages subject to the Medicare health insurance tax.

By Mr. EXON:

S. 224. A bill to amend the Congressional Budget and Impoundment Control Act of 1974 to grant the President enhanced authority to rescind amounts

of budget authority; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one committee reports, the other committee have 30 days to report or be discharged.

ENHANCED RESCISSIONS ACT OF 1993

Mr. EXON. Mr. President, but a few days ago, we heard a stirring and effective inaugural address from our new President. What was particularly impressive, and refreshing, to me was our new President's willingness to call upon our citizens to make the sacrifices that we all know must be made if we are to obtain some control over our out-of-control Federal budget.

Members of Congress must be willing to sacrifice as well. As far as I am concerned, an excellent place to start is for Members of Congress to sacrifice pork barrel spending. Each year Congress passes appropriation bills that are laden with individual funding for special projects, funding that is sought by specific Members. Although each such item no doubt has its merits, there is little question but that a prime motive in many appropriation items is to enable a Member of Congress to bring home the bacon. We all seek such funding and frankly we all like to receive it.

The result is that pork is often but a perk, a useful perk that can readily be used in a reelection campaign. But, it is an expensive perk that Congress can and should be willing to sacrifice for the benefit of future generations.

Our current system works to fuel the flames of unlimited spending and needs to be changed. It is simply unrealistic to expect individual Members to volunteer not to pursue pork for his or her State or district when others will continue their efforts in that regard. Our President in determining whether to sign each bill must look at each one as a whole and is forced to accept the bad with the good.

The solution to this problem is to give our President the line-item veto. As Governor of the State of Nebraska I was privileged to have the line-item veto power. I used the line-item veto authority frequently and found it to be very effective in controlling the spending of my State legislature. I have long believed that our President should have this power as well.

The line-item veto authority would give our President the ability to attack pork barrel spending and would be an invaluable tool in our President's efforts to limit governmental spending. It would hardly solve our budgetary problems but it would certainly help.

Mr. President, in previous years, I have supported efforts to change our Constitution to allow for a line-item veto. I have also been a leader in congressional efforts to give our President enhanced rescission powers.

Over 6 years ago, I joined with former Vice President Quayle in sponsoring an

enhanced rescission proposal. Just last year, I supported an amendment offered by Senator MCCAIN that would have also given our President greater rescission powers.

It has become very clear through the years that we simply do not have the votes in the Senate to pass a constitutional amendment for a line-item veto. Further, Senator MCCAIN's amendment garnered only 40 votes for a proposal that would surely be filibustered and would thus need at least 60 votes to pass the Senate.

The very clear writing on the wall is that proposals such as those stand little, if any, chance of becoming law. But that hardly means that nothing can be done to give our President greater power to fight pork barrel spending.

The House of Representatives last year overwhelmingly passed a proposal to require Congress to vote on rescission messages from our President. That proposal was quite similar to the amendment I cosponsored in 1986.

The key difference between the bill passed by the House of Representatives and other enhanced rescission or line-item veto proposals is that the former would require only a majority vote in Congress to overturn a Presidential recommendation as compared to the two-thirds super majority that would be required under the latter proposals.

Taking the majority vote approach strikes me as a reasonable compromise and one that stands a better chance of serious consideration by Congress. As such, I am today introducing the Enhanced Rescissions Act.

This bill would change our current rescissions process by giving our President the authority not to spend specific funding included in our appropriations bills. Upon making a decision to rescind certain spending, our President would then be required to seek congressional approval. If Congress does not agree by at least a majority vote in both Houses, then the funding must be released.

It is certainly reasonable to force Members of Congress to publicly vote on spending requests that our President views as unnecessary or inappropriate. Members of Congress will be much less likely to add pork to our appropriation bills if they know that they might be forced to defend each item individually on its own merits.

I urge each of my colleagues to take a close look at what I am proposing. It is similar to the bill passed in the House last year, yet I have eliminated the restrictions and loopholes included in that bill so that our President will truly have the ability to force a vote on each particular line item of each appropriation bill. As such, this proposal is a responsible and fair approach and one that would greatly assist our new President, and those who follow, in his efforts to reduce our Federal deficit.

Mr. President, I ask unanimous consent that the text of the bill be printed in the CONGRESSIONAL RECORD.

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

S. 224

*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 "Enhanced Rescissions Act of 1993".

**SEC. 2. EXPEDITED CONSIDERATION OF CERTAIN PROPOSED RESCISSIONS.**

(a) IN GENERAL.—Part B of title X of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 681 et seq.) is amended by redesignating sections 1013 through 1017 as sections 1014 through 1018, respectively, and inserting after section 1012 the following new section:

**"EXPEDITED CONSIDERATION OF CERTAIN PROPOSED RESCISSIONS**

**"SEC. 1013. (a) PROPOSED RESCISSION OF BUDGET AUTHORITY.**—In addition to the method of rescinding budget authority specified in section 1012, the President may propose, at the time and in the manner provided in subsection (b), the rescission of any budget authority provided in an appropriations Act. Funds made available for obligation under this procedure may not be proposed for rescission again under this section or section 1012.

**(b) TRANSMITTAL OF SPECIAL MESSAGE.**—  
 "(1) Not later than 3 days after the date of enactment of an appropriation Act, the President may transmit to Congress one or more special messages proposing to rescind all or any part of any item of budget authority provided in that Act and include with each special message a draft bill or joint resolution that, if enacted, would rescind each item of budget authority (or part thereof) proposed to be rescinded.

"(2) Each special message shall specify, with respect to the budget authority proposed to be rescinded, the matters referred to in paragraphs (1) through (5) of section 1012(a).

**"(c) PROCEDURES FOR EXPEDITED CONSIDERATION.**—

"(1)(A) Before the close of the second day of continuous session of the applicable House after the date of receipt of a special message transmitted to Congress under subsection (b), the majority leader or minority leader of the House of Congress in which the appropriation Act involved originated shall introduce (by request) the draft bill or joint resolution accompanying that special message. If the bill or joint resolution is not introduced as provided in the preceding sentence, then, on the third day of continuous session of that House after the date of receipt of that special message, any Member of that House may introduce the bill or joint resolution.

"(B) The bill or joint resolution shall be referred to the Committee on Appropriations of that House. The committee shall report the bill or joint resolution without substantive revision and with or without recommendation. The bill or joint resolution shall be reported not later than the seventh day of continuous session of that House after the date of receipt of that special message. If the Committee on Appropriations fails to report the bill or joint resolution within that period, that committee shall be automatically discharged from consideration of the bill or joint resolution, and the bill or joint

resolution shall be placed on the appropriate calendar.

"(C) A vote on final passage of the bill or joint resolution shall be taken in that House on or before the close of the 10th calendar day of continuous session of that House after the date of the introduction of the bill or joint resolution in that House. If the bill or joint resolution is agreed to, the Clerk of the House of Representatives (in the case of a bill or joint resolution agreed to in the House of Representatives) or the Secretary of the Senate (in the case of a bill or joint resolution agreed to in the Senate) shall cause the bill or joint resolution to be engrossed, certified, and transmitted to the other House of Congress on the same calendar day on which the bill or joint resolution is agreed to.

"(2)(A) A bill or joint resolution transmitted to the House of Representatives or the Senate pursuant to paragraph (1)(C) shall be referred to the Committee on Appropriations of that House. The committee shall report the bill or joint resolution without substantive revision and with or without recommendation. The bill or joint resolution shall be reported not later than the seventh day of continuous session of that House after it receives the bill or joint resolution. A committee failing to report the bill or joint resolution within such period shall be automatically discharged from consideration of the bill or joint resolution, and the bill or joint resolution shall be placed upon the appropriate calendar.

"(B) A vote on final passage of a bill or joint resolution transmitted to that House shall be taken on or before the close of the 10th calendar day of continuous session of that House after the date on which the bill or joint resolution is transmitted. If the bill or joint resolution is agreed to in that House, the Clerk of the House of Representatives (in the case of a bill or joint resolution agreed to in the House of Representatives) or the Secretary of the Senate (in the case of a bill or joint resolution agreed to in the Senate) shall cause the engrossed bill or joint resolution to be returned to the House in which the bill or joint resolution originated.

"(3)(A) A motion in the House of Representatives to proceed to the consideration of a bill or joint resolution under this section shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(B) Debate in the House of Representatives on a bill or joint resolution under this section shall not exceed 4 hours, which shall be divided equally between those favoring and those opposing the bill or joint resolution. A motion further to limit debate shall not be debatable. It shall not be in order to move to recommit a bill or joint resolution under this section or to move to reconsider the vote by which the bill or joint resolution is agreed to or disagreed to.

"(C) Appeals from decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to a bill or joint resolution under this section shall be decided without debate.

"(D) Except to the extent specifically provided in the preceding provisions of this subsection, consideration of a bill or joint resolution under this section shall be governed by the Rules of the House of Representatives.

"(4)(A) A motion in the Senate to proceed to the consideration of a bill or joint resolu-

tion under this section shall be privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(B) Debate in the Senate on a bill or joint resolution under this section, and all debatable motions and appeals in connection therewith, shall not exceed 10 hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

"(C) Debate in the Senate on any debatable motion or appeal in connection with a bill or joint resolution under this section shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the bill or joint resolution, except that in the event the manager of the bill or joint resolution is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a bill or joint resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

"(D) A motion in the Senate to further limit debate on a bill or joint resolution under this section is not debatable. A motion to recommit a bill or joint resolution under this section is not in order.

"(d) AMENDMENTS PROHIBITED.—No amendment to a bill or joint resolution considered under this section shall be in order in either the House of Representatives or the Senate. No motion to suspend the application of this subsection shall be in order in either House, nor shall it be in order in either House to suspend the application of this subsection by unanimous consent.

"(e) REQUIREMENT TO MAKE AVAILABLE FOR OBLIGATION.—Any amount of budget authority proposed to be rescinded in a special message transmitted to Congress under subsection (b) shall be made available for obligation on the day after the date on which either House defeats the bill or joint resolution transmitted with that special message.

**"(f) DEFINITIONS.**—For purposes of this section—

"(1) The term 'appropriation Act' means any general or special appropriation Act, and any Act or joint resolution making supplemental, deficiency, or continuing appropriations.

"(2) The continuity of a session of the Congress shall be considered as broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than 3 days to a day certain shall be excluded in the computation of the periods of continuous session referred to in subsection (c) of this section. If a special message is transmitted under this section during any Congress and the last session of the Congress adjourns sine die before the expiration of 10 calendar days of continuous session (or a special message is transmitted after the last session of the Congress adjourns sine die), the message shall be deemed to have been transmitted on the first day of the succeeding Congress and the periods of continuous session referred to in subsection (c) of this section shall commence on the day after such first day."

(b) EXERCISE OF RULEMAKING POWERS.—Section 904 of such Act (2 U.S.C. 621 note) is amended—

(1) by striking "and 1017" in subsection (a) and inserting "1013, and 1018"; and

(2) by striking "section 1017" in subsection (d) and inserting "sections 1013 and 1018".

## (c) CONFORMING AMENDMENTS.—

(1) Section 1011 of such Act (2 U.S.C. 682(5)) is amended—

(A) in paragraph (4), by striking "1013" and inserting "1014"; and

(B) in paragraph (5)—

(i) by striking "1016" and inserting "1017"; and

(ii) by striking "1017(b)(1)" and inserting "1018(b)(1)".

(2) Section 1015 of such Act (2 U.S.C. 685) (as redesignated by section 2(a)) is amended—

(A) by striking "1012 or 1013" each place it appears and inserting "1012, 1013, or 1014";

(B) in subsection (b)(1), by striking "1012" and inserting "1012 or 1013";

(C) in subsection (b)(2), by striking "1013" and inserting "1014"; and

(D) in subsection (e)(2)—

(i) by striking "and" at the end of subparagraph (A);

(ii) by redesignating subparagraph (B) as subparagraph (C);

(iii) by striking "1013" in subparagraph (C) (as so redesignated) and inserting "1014"; and

(iv) by inserting after subparagraph (A) the following new subparagraph:

"(B) he has transmitted a special message under section 1013 with respect to a proposed rescission; and"

(3) Section 1016 of such Act (2 U.S.C. 686) (as redesignated by section 2(a)) is amended by striking "1012 or 1013" each place it appears and inserting "1012, 1013, or 1014".

(d) CLERICAL AMENDMENTS.—The table of sections for subpart B of title X of such Act is amended—

(1) by redesignating the items relating to sections 1013 through 1017 as items relating to sections 1014 through 1018; and

(2) by inserting after the item relating to section 1012 the following new item:

"Sec. 1013. Expedited consideration of certain proposed rescissions."

By Mr. EXON:

S. 225. A bill to amend the Congressional Budget Act of 1974 to provide that any concurrent resolution on the budget that contains reconciliation directives shall include a directive with respect to the statutory limit on the public debt, and for other purposes; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one committee reports, the other committee have 30 days to report or be discharged.

## DEBT CEILING REFORM ACT

Mr. EXON. Mr. President, I rise to introduce the Debt Ceiling Reform Act. This proposal is a tough but workable solution to our budget enforcement mechanisms.

Although we have now seen a series of bills that have addressed our budget process, the fact is that we still do not link our budget enforcement process with our debt ceiling which is our most honest and obvious way of measuring our Federal deficits.

The Debt Ceiling Reform Act would bring debt ceiling legislation into the budget cycle. It mandates that we include the extension of the debt ceiling as part of our annual budget reconciliation legislation. Congress would be

forced to determine, as part of the budget process, how much the debt ceiling needs to be raised for the coming year.

The Debt Ceiling Reform Act would necessitate continuous enforcement of the deficit targets contained in each year's budget. If Congress sticks to its agreed-upon budget and corrects it for changing economic circumstances, debt ceiling legislation would be handled in a routine manner under the limited debate procedures of reconciliation.

If, however, Congress borrows funds at a rate faster than contemplated by the annual budget, then a three-fifths vote would be required to increase the debt ceiling. By contrast, other measures to resolve the problem, such as a reduction in spending, would require only a simple majority vote. In the past, the easiest way to resolve our budget problems has been to simply increase our debt ceiling.

This proposal also addresses one of the more serious defects in the budget mechanisms that have been used previously and that are currently being used. It does not rely upon estimates, accounting gimmicks, spending shifts, or off-budget accounts.

As this new session of Congress begins, I am calling for several reforms to our budget process. It is obvious that our efforts to place some controls on our deficit spending have failed miserably. Effective leadership, which takes the key issue of our budget deficit head on, is of course the key to resolving this problem and I am confident that we will see a very refreshing change in that regard in the coming months. Yet, that leadership should not be satisfied with the old budgetary mechanisms that have failed us for the past several years.

In my view, our Federal Government should balance its budget each year with very limited exceptions to that rule. If we had done that, we would hardly be in the mess that we are. But if we are not going to balance our budget, we at least ought to be able to say to the American people that we will increase our debt this much, this year. Now, we do not even do that.

Under my plan, when Congress passes the reconciliation legislation, it would essentially issue the Federal Government a letter of credit for the coming year. Our Government, including Congress, would then be required to continuously monitor its actual levels of spending to assure that it stays within that constraint.

Congress, and our President, must face the fiscal facts and work to reduce our annual deficit rather than hide them. The proposal I have introduced today would reimpose some honesty and integrity into our budgetary process.

Mr. President, I ask unanimous consent that the text of the bill be printed in the CONGRESSIONAL RECORD.

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

S. 225

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. RECONCILIATION DIRECTIVES TO INCLUDE DIRECTIVE WITH RESPECT TO INCREASE IN STATUTORY LIMIT ON THE PUBLIC DEBT.**

(a) IN GENERAL.—Section 310 of the Congressional Budget Act of 1974 (2 U.S.C. 641) is amended by adding at the end thereof the following new subsection:

"(h) RECONCILIATION DIRECTIVES WITH RESPECT TO PUBLIC DEBT LIMIT.—

"(1) Any concurrent resolution on the budget for a fiscal year that contains directives of the type described in paragraph (1) or (2) of subsection (a) for such fiscal year shall also include a directive of the type described in paragraph (3) of such subsection for such fiscal year.

"(2) Any change in the statutory limit on the public debt that is recommended pursuant to a directive of the type described in paragraph (3) of subsection (a) shall be included in the reconciliation legislation reported pursuant to subsection (b) for such fiscal year."

(b) CONFORMING CHANGE.—Section 310(d)(2) of such Act is amended by inserting "(other than a provision reported pursuant to a directive of the type described in subsection (a)(3))" after "motion to strike a provision".

**SEC. 2. POINT OF ORDER.**

(a) IN GENERAL.—Notwithstanding the Standing Rules of the Senate, except as provided in subsection (b), it shall not be in order in the Senate to consider any bill or joint resolution (or any amendment thereto or conference report thereon) that increases the statutory limit on the public debt during a fiscal year above the level set forth as appropriate for such fiscal year in the concurrent resolution on the budget for such fiscal year agreed to under section 301 of the Congressional Budget Act of 1974.

(b) EXCEPTION.—Subsection (a) shall not apply to any reconciliation bill or reconciliation resolution reported pursuant to section 310(b) of the Congressional Budget Act of 1974 during any fiscal year (or any conference report thereon) that contains a provision that—

(1) increases the statutory limit on the public debt pursuant to a directive of the type described in section 310(a)(3) of such Act, and

(2) becomes effective on or after the first day of the following fiscal year.

(c) WAIVERS.—Subsection (a) may be waived or suspended in the Senate by a vote of three-fifths of the Members, duly chosen and sworn.

(d) APPEALS.—If the ruling of the presiding officer sustains a point of order raised pursuant to paragraph (1), a vote of three-fifths of the Members duly chosen and sworn shall be required to sustain an appeal of such ruling. Debate on any such appeal shall be limited to two hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees. An appeal of any such point of order is not subject to a motion of table.

**SEC. 3. EFFECTIVE DATE.**

This Act and the amendments made by this Act shall become effective on the date of the enactment of this Act.

**SEC. 4. EXERCISE OF RULEMAKING POWERS.**

This Act and the amendments made by this Act are enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

By Mr. DASCHLE (for himself, Mr. DORGAN, Mr. CONRAD, and Mrs. KASSEBAUM):

S. 226. A bill to amend the Internal Revenue Code of 1986 to provide that certain cash rentals of farmland will not cause recapture of special estate tax valuation; to the Committee on Finance.

FAMILY FARMS VALUATION ACT OF 1993

• Mr. DASCHLE. Mr. President, since 1988, I have studied the effects on family farmers of a provision in the estate tax law, section 2032A. While section 2032A may seem a small provision to some, it is critically important to family-run farms. A problem with respect to the Internal Revenue Service's interpretation of this provision has been festering for a number of years and threatens to force the sale of many family farms.

Section 2032A, which bases the estate tax on a family farm on its use as a farm, rather than on its market value, reflects the intent of Congress to help families keep their farms. A family that has worked hard to maintain a farm should not have to sell it to a third party solely to pay stiff estate taxes resulting from increases in the value of the land. Inheriting family members are required to continue farming the property for at least 15 years, in order to avoid having the IRS recapture the taxes savings.

At the time section 2032A was enacted, it was common practice for one or more family members to cash lease the farm from the other members of the family. This practice made sense where one family member was more involved than the other family members in the day-to-day farming of the land. Typically, however, the other family members would continue to be at risk as to the value of the farm and to participate in decisions affecting the farm's operation. Cash leasing among family members remained a common practice after the enactment of section 2032A. An inheriting child would cash lease from his or her siblings, with no reason to suspect from the statute or otherwise that the cash leasing arrangement might jeopardize the farm's qualification for special use valuation.

Based at least in part on some language that I am told was included in a Joint Committee on Taxation publication in early 1982, the Internal Revenue Service has taken the position that

cash leasing among family members will disqualify the farm for special use valuation. The matter has since been the subject of numerous audits and some litigation; though potentially hundreds of family farmers may yet be unaware of the change of events.

In 1988, Congress provided partial clarification of this issue for surviving spouses who cash lease to their children. Due to revenue concerns, however, no clarification was made of the situation where surviving children cash lease among themselves.

My concern is that many families in which inheriting children or other family members have cash leased to each other may not even be aware of the IRS's position on this issue. At some time in the future, they are going to be audited and find themselves liable for enormous amounts in taxes, interest, and penalties. For those who cash leased in the late 1970's, this could be devastating because the taxes they owe are based on the inflated land values that existed at that time.

A case that arose in my State of South Dakota illustrates the unfairness and devastating impact of the IRS interpretation of section 2032A. Janet Kretschmar, who lives with her husband, Craig, in Cresbard, SD, inherited her mother's farm along with her two sisters in 1980. Because the property would continue to be farmed by the family members, estate taxes were paid on it pursuant to section 2032A, saving over \$50,000 in estate tax.

Janet and Craig continued to farm the land and have primary responsibility for its day-to-day operation. They set up a simple and straightforward arrangement with the other two sisters whereby Janet and Craig would lease the sisters' interests from them.

Seven years later, the IRS told the Kretschmars that the cash lease arrangement had disqualified the property for special use valuation and that they owed \$54,000 to the IRS. According to the IRS, this amount represented estate tax that was being recaptured as a result of the disqualification. This came as an enormous surprise to the Kretschmars as they had never been notified of the change in interpretation of the law and had no reason to believe that their arrangement would no longer be held valid by the IRS for purposes of qualifying for special use valuation. The fact is that, if they had known this, they would have organized their affairs in one of several other acceptable, though more complicated, ways.

For many years, I have sought inclusion in tax legislation of a provision that would clarify that cash leasing among family members will not disqualify the property for special use valuation. Last year, such a provision was successfully included in H.R. 11, the Revenue Act of 1992 and passed by Congress. Unfortunately, H.R. 11 was vetoed by President Bush.

Today, I am introducing a bill the language of which is identical to the section 2032A measure that was passed last year in H.R. 11. I am joined in this effort by my two colleagues from North Dakota, whose expertise on tax issues is well known, as well as by my distinguished colleague from Kansas, Mrs. KASSEBAUM, who has lent her tireless effort to this issue for several years.

I must emphasize that there may be many other cases in other agricultural States where families are cash leasing the family farm among each other unaware that the IRS could come knocking at their door at any minute. I urge my colleagues in the Senate to work with us and support this important clarification of the law.

Mr. President, I ask that the full text of the bill be printed in the RECORD following my remarks.

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

S. 226

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. CERTAIN CASH RENTALS OF FARMLAND NOT TO CAUSE RECAPTURE OF SPECIAL ESTATE TAX VALUATION.**

(a) IN GENERAL.—Subsection (c) of section 2032A of the Internal Revenue Code of 1986 (relating to tax treatment of dispositions and failures to use for qualified use) is amended by adding at the end thereof the following new paragraph:

“(B) CERTAIN CASH RENTAL NOT TO CAUSE RECAPTURE.—For purposes of this subsection, a qualified heir shall not be treated as failing to use property in a qualified use solely because such heir rents such property on a net cash basis to a member of the decedent's family, but only if, during the period of the lease, such member of the decedent's family uses such property in a qualified use.”

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to rentals occurring after December 31, 1976.●

Mrs. KASSEBAUM. Mr. President, several years ago Congress decided family farms should remain in the family. Congress did not want those who inherit family farms to lose their land because of inflated land prices and speculation.

Accordingly, Congress passed a law providing that family farms could be valued at their income-producing value as opposed to their open market value. At the time, speculation had driven the farm prices well beyond the farm's income-producing capability. To prevent abuse, the special-valuation statute provided that if the farm was converted to a nonfarm use, or sold outside the family within 10 years from the date of the valuation, the heirs would be retroactively liable for estate taxes on the farm's market value at the time of the parent's or grandparent's death.

This antiabuse provision worked well until the Internal Revenue Service began ruling that the special-use valuation was not satisfied if family mem-

bers cash rented the land to other family members.

Many families engaged in intra-family cash rent arrangements believing they were fully complying with the special-use valuation requirement. You can imagine a family's frustration and dismay when the Internal Revenue Service began assessing them for retroactive estate taxes which, when coupled with penalties and interest, often exceeded the value of the farm.

The bill we are introducing today eliminates these retroactive assessments. It provides that intrafamily cash rent leases between direct family members satisfy the special-use requirement.

Mr. President, this bill is urgently needed. Several families in my State risk losing their farms if we do not enact this bill. Congress has made clear it does not want this to happen. These farm families face financial ruin because of a tax technicality no one in Congress intended. It would be a cruel hoax if the statute designed to protect family farms is interpreted in such a way that it results in the Internal Revenue Service confiscating farms from innocent families for retroactive taxes. It is my hope this bill can be enacted swiftly so that these farm families can put this matter behind them and get on with their lives.

Mr. CONRAD. Mr. President, after the large increase in farm prices in the 1970's many farm families had trouble paying estate taxes. The law was changed to base estate taxes for family farms on what the farm can actually produce—special use valuation—not on market value. If the farm is sold outside the family or converted to non-farm use, heirs are liable for retroactive tax liability.

Following an IRS ruling that leasing farm land on a cash-lease basis disqualified family farms from special use valuation, Congress passed a technical correction in 1988 extending special use valuation of farm property to surviving spouses who continue to cash-rent farm property to their children. Without this change, a recapture tax would have been imposed in such situations.

However, in rare instances where there is no surviving spouse, it is not possible under the 1988 law to transmit such property to one's children or grandchildren without triggering the recapture tax. In North Dakota and other States, families may lose their farms because of this technicality.

Today Senator DASCHLE introduces legislation identical to provisions in H.R. 11, last year's urban aid bill, which remedies this problem. I am pleased to lend my support to this bill, which is quite similar to legislation that I introduced in the 101st and 102d Congresses and plan to reintroduce once again. I commend Senator DASCHLE for his work on this important issue, and I ask for my colleagues support.

By Mr. DASCHLE:

S. 227. A bill to amend title 10, United States Code, to remove a restriction on the requirement for the Secretary of the Air Force to dispose of real property at deactivated intercontinental ballistic missile facilities to adjacent landowners; to the Committee on Armed Services.

ICBM FACILITIES ADJACENT LANDS ACT OF 1993

• Mr. DASCHLE. Mr. President, late last year the Senate ratified the Strategic Arms Reduction Treaty [START]. In order to meet the requirements of START and to maintain strategic deterrence at the least cost, the Air Force is currently deactivating the Minuteman II [MMII] missile system at Ellsworth Air Force Base in South Dakota. The MMII missile system at Ellsworth includes 150 launch facilities [LF's] and 15 launch control facilities [LCF's] located in western South Dakota. The deactivation period is expected to take approximately 3½ to 4½ years, and Air Force officials anticipate that property at the LF's and LCF's will be available for disposal in the next 3 to 5 years.

Although some of the deactivated LF's and LCF's may be retained by the Air Force for follow-on requirements, the Air Force maintains it will dispose of most of the property at the sites through sales to surrounding landowners. Many of these landowners are the previous landowners or descendants of previous landowners who were forced to sell their land to the Air Force nearly 30 years ago.

It is my understanding that surrounding landowners will have the first option to reacquire the property at LF's and LCF's if the sites meet the criteria of title 10, United States Code, section 9781. Section 9781 gives surrounding landowners the first option to reacquire the property at the missile sites if: First, the surrounding landowners pay fair market value as established by government appraisal; second, the surrounding landowners pay the cost of a land survey, if required; and finally, the land was acquired from one ownership and the fee land surrounding the site is still held in one ownership.

Most of the LF's and LCF's at Ellsworth meet this criteria, and Air Force officials have assured me that surrounding landowners will indeed have the first option to reacquire the property at these sites. However, it has been brought to my attention that several sites are surrounded by more than one landowner. As a result, these sites currently do not meet the criteria of section 9781, and the property would be subject to disposal by the General Services Administration [GSA], which would offer the property to other government agencies. If no government agency were interested in the property, it would be sold through a competitive bidding process.

Mr. President, I continue to believe that surrounding landowners should have the first option to reacquire property at all LF's and LCF's. Thirty years ago, the landowners of western South Dakota were forced to sell their land to the Air Force, and they did so for the defense of our country. They have sacrificed more than land during that time, and these surrounding landowners deserve the option of buying that land back before GSA offers it to other government agencies.

Late last year, I introduced a bill that would require the Air Force to dispose of all LF's and LCF's it does not retain for follow-on requirements and to give surrounding landowners the option to acquire property at these sites before it is routed through GSA. I am proud to reintroduce this legislation, and I look forward to working during the 103d Congress with my colleagues on this and other related efforts to protect the rights of the landowners in western South Dakota affected by the Minuteman II missile system.

Mr. President, I ask unanimous consent that the text of the bill be printed into the RECORD following these remarks.

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

S. 227

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. DISPOSITION OF REAL PROPERTY AT MISSILE SITES TO ADJACENT LANDOWNERS.**

Subparagraph (D) of section 9781(a)(2) of title 10, United States Code, is amended to read as follows:

"(D) is surrounded by one or more tracts of land that are owned by one or more owners."•

By Mr. BRYAN (for himself and Mr. DANFORTH):

S. 228. A bill to establish a grant program under the National Highway Traffic Safety Administration for the purpose of promoting the use of bicycle helmets by individuals under the age of 16; to the Committee on Commerce, Science, and Transportation.

CHILDREN'S BICYCLE HELMET SAFETY ACT OF 1993

Mr. BRYAN. Mr. President, as chairman of the Commerce Committee's Consumer Subcommittee, I am pleased to introduce legislation today to encourage the use of bicycle helmets by children under the age of 16.

Every year in the United States, hundreds of bicyclists are killed, and thousands more are injured. Tragically, approximately one-half of the deaths and injuries are to children. These figures could be improved significantly, however, if only more bicycle riders wore helmets. According to a 1989 study published in the *New England Journal of Medicine*, use of bicycle helmets re-

duces the risk of head injury by 85 percent and the risk of brain injury by almost 90 percent.

The legislation I am introducing today, along with my colleague Senator DANFORTH, has two important components. First, the bill establishes a safety grant program within the National Highway Traffic Safety Administration to provide incentives for States to encourage the use of bicycle helmets by children. States could qualify for the grant money in a variety of ways, including the adoption of a requirement that children wear bicycle helmets or the development of a program to educate children on the need to wear bicycle helmets.

The second aspect of the legislation requires the Consumer Product Safety Commission to issue safety standards for bicycle helmets. Currently, voluntary standards exist, but uniform standards are needed to ensure that the helmets worn are indeed safe, effective, and solidly constructed.

Mr. President, this legislation is intended both to increase bicycle helmet use by children, and to ensure that such helmets are effective. I urge my colleagues to support the passage of this bill.

I ask unanimous consent that the text of the bill be placed in the RECORD.

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

S. 228

*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 "Children's Bicycle Helmet Safety Act of 1993".

#### SEC. 2. FINDINGS.

The Congress finds that—

(1) 90 million Americans ride bicycles and 20 million ride a bicycle more than once a week;

(2) between 1984 and 1988, 2,985 bicyclists in the United States died from head injuries and 905,752 suffered head injuries that were treated in hospital emergency rooms;

(3) 41 percent of bicycle-related head injury deaths and 76 percent of bicycle-related head injuries occurred among American children under age 15;

(4) deaths and injuries from bicycle accidents cost society \$7.6 billion annually; and a child suffering from a head injury, on average, will cost society \$4.5 million over the child's lifetime;

(5) universal use of bicycle helmets in the United States would have prevented 2,600 deaths from head injuries and 757,000 injuries; and

(6) only 5 percent of children in the Nation who ride bicycles wear helmets.

#### SEC. 3. ESTABLISHMENT OF PROGRAM.

The Administrator of the National Highway Traffic Safety Administration may, in accordance with section 4, make grants to States, state political subdivisions, and non-profit organizations for programs that require or encourage individuals under the age of 16 to wear approved bicycle helmets. In making those grants, the Administrator

shall allow grantees to use wide discretion in designing programs that effectively promote increased bicycle helmet use.

#### SEC. 4. PURPOSES FOR GRANTS.

A grant made under section 3 may be used by a grantee to—

(1) enforce a law that requires individuals under the age of 16 to wear approved bicycle helmets on their heads while riding on bicycles;

(2) assist individuals under the age of 16 to acquire approved bicycle helmets;

(3) develop and administer a program to educate individuals under the age of 16 and their families on the importance of wearing such helmets in order to improve bicycle safety; or

(4) carry out any combination of the activities described in paragraphs (1), (2), and (3).

#### SEC. 5. STANDARDS.

(a) IN GENERAL.—Bicycle helmets manufactured 9 months or more after the date of the enactment of this Act shall conform to—

(1) any interim standard described under subsection (b), pending the establishment of a final standard pursuant to subsection (c); and

(2) the final standard, once it has been established under subsection (c).

(b) INTERIM STANDARDS.—The interim standards are as follows:

(1) The American National Standards Institute standard designated as "Z90.4-1984".

(2) The Snell Memorial Foundation standard designated as "B-90".

(3) Any other standard that the Consumer Product Safety Commission determines is appropriate.

(c) FINAL STANDARD.—Not later than 60 days after the date of the enactment of this Act, the Consumer Product Safety Commission shall begin a proceeding under section 553 of title 5, United States Code, to—

(1) review the requirements of the interim standards set forth in subsection (a) and establish a final standard based on such requirements;

(2) include in the final standard a provision to protect against the risk of helmets coming off the heads of bicycle riders;

(3) include in the final standard provisions that address the risk of injury to children; and

(4) include additional provisions as appropriate.

Sections 7 and 9 of the Consumer Product Safety Act (15 U.S.C. 2056 and 2058) shall not apply to the proceeding under this subsection and section 11 of such Act (15 U.S.C. 2060) shall not apply with respect to any standard issued under such proceeding. The final standard shall take effect 1 year from the date it is issued.

(d) FAILURE TO MEET STANDARDS.—

(1) FAILURE TO MEET INTERIM STANDARD.—Until the final standard takes effect, a bicycle helmet that does not conform to an interim standard as required under subsection (a)(1) shall be considered in violation of a consumer product safety standard promulgated under the Consumer Product Safety Act.

(2) STATUS OF FINAL STANDARD.—The final standard developed under subsection (c) shall be considered a consumer product safety standard promulgated under the Consumer Product Safety Act.

#### SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

For the National Highway Traffic Safety Administration to carry out the grant program authorized by this Act, there are authorized to be appropriated \$2,000,000 for fis-

cal year 1994, \$3,000,000 for fiscal year 1995, and \$4,000,000 for fiscal year 1996.

#### SEC. 7. DEFINITION.

In this Act, the term "approved bicycle helmet" means a bicycle helmet that meets—

(1) any interim standard described in section 5(b), pending establishment of a final standard under section 5(c); and

(2) the final standard, once it is established under section 5(c).

Mr. DANFORTH. Mr. President, I am pleased to join Senator BRYAN in introducing the Children's Bicycle Helmet Safety Act of 1993. This is important safety legislation which will reduce the risk of death or severe injury for children riding bicycles.

The need to address bicycle safety is clear. A study conducted for the Centers for Disease Control [CDC], which was published last December in the Journal of the American Medical Association, provides revealing data about the magnitude and severity of head injuries suffered by cyclists. The study found that, between 1984 and 1988, nearly 3,000 people died from head injuries while cycling, and over 900,000 suffered head injuries. This represents 62 percent of all bicycling deaths, and 32 percent of bicycling injuries that required treatment in hospital emergency rooms. The Consumer Product Safety Commission [CPSC] estimates that bicycle-related deaths and injuries cost society \$7.6 billion annually.

The statistics regarding children are even more compelling. The CDC study found that 41 percent of head injury deaths and 76 percent of total head injuries occurred among children under age 15. According to the National Head Injury Foundation, the cost of supporting a child who has suffered a severe head injury, on average, is \$4.5 million over that individual's lifetime. For the family of a child killed or injured in a bicycle accident, the tragedy is immeasurable.

These losses are made more tragic by the fact that so many of them could have been prevented by taking one simple step: wearing a protective bicycle helmet. A 1989 study published in the New England Journal of Medicine found that use of a bicycle helmet reduces the risk of all head injuries by 85 percent and injuries to the brain by 90 percent. According to the CDC study, universal use of bicycle helmets would have prevented 2,600 deaths and 757,000 injuries between 1984 and 1988. Unfortunately, few riders wear helmets. In the case of children cyclists, it is a tragic fact that only 5 percent of these vulnerable riders wear helmets, according to the American Academy of Pediatrics.

Several local governments have taken steps to increase helmet use. For example, Howard and Montgomery Counties in suburban Maryland have enacted laws requiring children to wear bicycle helmets. I applaud their actions, but more needs to be done. This

legislation establishes a grant program within the National Highway Traffic Safety Administration to promote helmet use. These grants could be used in any of three ways. First, the grant could be used to assist those unable to afford a helmet, which costs about \$40, to purchase one. In addition, it could be used for the creation of a helmet bank, which would allow parents of limited means to obtain helmets for their children and to exchange old helmets for those in a larger size as their children grow. Second, the funds could be used to educate children about the need to wear bicycle helmets. Finally, the grant could be used to assist in the enforcement of a mandatory bicycle helmet law for children. The bill specifically states that State or local governments are to be given broad discretion in establishing programs that effectively promote increased helmet use.

The bill also includes a provision requiring the CPSC to establish uniform safety standards for bicycle helmets. Included in these standards are provisions that address the risk of injury to children. The purpose of this requirement is to replace the existing voluntary standards with a single provision approved by the CPSC.

Mr. President, it is essential that bicyclists wear helmets. It is a simple matter, but the failure to wear a helmet can have tragic results. The grant program in this measure takes a reasonable approach by allowing State and local officials to decide how their communities can best address this program. This proposal will bring together State and local governments, parents, teachers, and others responsible for children, to protect against injuries and to save lives. The total funding of \$9 million over 3 years would be offset by preventing only a few serious head injuries per year. But this bill can prevent hundreds of such tragedies. According to the National Safe Kids Campaign, an organization consisting of health, consumer, educational, and law enforcement groups dedicated to improving child safety, this legislation will substantially reduce the leading cause of death for children 15 and under—accidental injury.

Last Congress I introduced a similar bill, S. 3096, to promote bicycle helmet use by children. The bill passed the Senate, but the House failed to act prior to adjournment. Mr. President, the need to enact this measure is clear, and the time to act is now. I urge my colleagues to support this legislation.

By Mr. INOUE:

S. 230. A bill to amend title VII of the Public Health Service Act to ensure that social work students or social work schools are eligible for support under the Health Careers Opportunity Program, the Minority Centers for Excellence Program, and programs of

grants for training projects in geriatrics, to establish a social work training program, and for other purposes; to the Committee on the Judiciary.

SOCIAL WORK TRAINING PROGRAM ACT OF 1993

• Mr. INOUE. Mr. President, on behalf of our Nation's clinical social workers, I am introducing legislation to amend the Public Health Service Act. This legislation will: First, establish a new social work training program; second, ensure that social work students are eligible for support under the Health Careers Opportunity Program and that social work schools are eligible for support under the Minority Centers for Excellence Program; third, permit schools offering degrees in social work to obtain grants for training projects in geriatrics; and fourth, ensure that social work is recognized as a profession under the Public Health Maintenance Organization [HMO] Act.

Mr. President, despite the impressive range of services social workers provide to the people of this Nation, particularly our elderly, disadvantaged, and minority populations, few Federal programs exist to provide opportunities for social work training in health and mental health care. This legislation builds on the health professions education legislation enacted by the 102d Congress enabling schools of social work to apply for AIDS training funding and resources to establish collaborative relationships with rural health care providers and schools of medicine or osteopathic medicine. My bill provides funding for traineeships and fellowships for individuals who plan to specialize in, practice, or teach social work, or for operating approved social work training programs; it assists disadvantaged students to earn graduate degrees in social work with concentrations in health or mental health; it provides new resources and opportunities in social work training for minorities; and it encourages schools of social work to expand programs in geriatrics. Finally, the recognition of social work as a profession merely codifies current social work practice and reflects the modifications made by the Medicare HMO legislation.

I believe it is important to ensure that the special expertise and skills social workers possess continue to be available to the citizens of this Nation. This legislation, by providing financial assistance to schools of social work and social work students, recognizes the long history and critical importance of the services provided by social work professionals. In addition, since social workers have provided quality mental health services to our citizens for a long time and continue to be at the forefront of establishing innovative programs to serve our disadvantaged populations, I believe that it is time to provide them with the proper recognition of their profession that they have clearly earned and deserve.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

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

S. 230

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SOCIAL WORK STUDENTS.

(a) SCHOLARSHIPS. GENERALLY.—Section 737(a)(3) of the Public Health Service Act (as amended by the Health Professions Education Extension Amendments of 1992) is amended by striking "offering graduate programs in clinical psychology" and inserting "offering graduate programs in clinical psychology or programs in social work".

(b) FACULTY POSITIONS.—Section 738(a)(3) of the Public Health Service Act (as amended by the Health Professions Education Extension Amendments of 1992) is amended by striking "offering graduate programs in clinical psychology" and inserting "offering graduate programs in clinical psychology or programs in social work".

(c) HEALTH PROFESSIONS SCHOOL.—Section 739(h)(1)(A) of the Public Health Service Act (as amended by the Health Professions Education Extension Amendments of 1992) is amended by striking "or a school of pharmacy" and inserting "a school of pharmacy, or a school offering programs in social work".

#### SEC. 2. GERIATRICS TRAINING PROJECTS.

Section 777(b)(1) of the Public Health Service Act (as amended by the Health Professions Education Extension Amendments of 1992) is amended by inserting "schools offering degrees in social work," after "teaching hospitals."

#### SEC. 3. SOCIAL WORK TRAINING PROGRAM.

Part E of title VII of the Public Health Service Act is amended by adding at the end thereof the following new section:

##### "SEC. 779. SOCIAL WORK TRAINING PROGRAM.

"(a) TRAINING GENERALLY.—The Secretary may make grants to, or enter into contracts with, any public or nonprofit private hospital, school offering programs in social work, or to or with a public or private nonprofit entity (which the Secretary has determined is capable of carrying out such grant or contract)—

"(1) to plan, develop, and operate, or participate in, an approved social work training program (including an approved residency or internship program) for students, interns, residents, or practicing physicians;

"(2) to provide financial assistance (in the form of traineeships and fellowships) to students, interns, residents, practice physicians, or other individuals, who are in need thereof, who are participants in any such program, and who plan to specialize or work in the practice of social work;

"(3) to plan, develop, and operate a program for the training of individuals who plan to teach in social work training programs; and

"(4) to provide financial assistance (in the form of traineeships and fellowships) to individuals who are participants in any such program and who plan to teach in a social work training program.

##### "(b) ACADEMIC ADMINISTRATIVE UNIT.—

"(1) IN GENERAL.—The Secretary may make grants to or enter into contracts with schools offering programs in social work to meet the costs of projects to establish, maintain, or improve academic administrative

units (which may be department, division, or other units) to provide clinical instruction in social work.

"(2) PREFERENCE IN MAKING AWARDS.—In making awards of grants and contracts under paragraph (1), the Secretary shall give preference to any qualified applicant for such an award that agrees to expend the award for the purpose of—

"(A) establishing an academic administration unit for programs in social work; or

"(B) substantially expanding the programs of such a unit.

"(c) DURATION OF AWARD.—The period during which payments are made to an entity from an award of a grant or contract under subsection (a) may not exceed 5 years. The provision of such payments shall be subject to annual approval by the Secretary of the payments and subject to the availability of appropriations for the fiscal year involved to make the payments.

"(d) FUNDING.—

"(1) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there is authorized to be appropriated \$10,000,000 for each of the fiscal years 1993 through 1995.

"(2) ALLOCATIONS.—Of the amounts appropriated under paragraph (1) for a fiscal year, the Secretary shall make available not less than 20 percent for awards of grants and contracts under subsection (b)."

#### SEC. 4. CLINICAL SOCIAL WORKER SERVICES.

Section 1302 of the Public Health Service Act (42 U.S.C. 300e-1) is amended—

(1) in paragraphs (1) and (2), by inserting "clinical social worker," after "psychologist," each place it appears;

(2) in paragraph (4)(A), by striking "and psychologists" and inserting "psychologists, and clinical social workers"; and

(3) in paragraph (5), by inserting "clinical social work," after "psychology."•

By Mr. INOUE:

S. 231. A bill to amend the Foreign Trade Zones Act to permit the deferral of payment of duty on certain production equipment; to the Committee on Finance.

#### FOREIGN TRADE ZONES AMENDMENTS ACT

• Mr. INOUE. Mr. President, today, I am introducing a bill to allow for the deferral of duty on merchandise admitted into the U.S. foreign trade zone, or subzone, for use within such a zone as production equipment, or parts thereof, until such merchandise is completely assembled, installed, tested, and used in the production for which it was admitted. This bill does not relieve any manufacturer orating in a U.S. foreign trade zone or subzone of its obligation to pay all applicable duty on such equipment, but rather it would allow these firms to defer the payment of duty until the equipment begins commercial operations in the zone—or subzone, or enters the Customs territory of the United States. The duty chargeable shall be at the same rate as would have been imposed on such production machinery and related equipment, and parts thereof—taking into account the privileged foreign or non-privileged foreign zone status of merchandise—had duty been imposed at the time of entry into the Customs territory of the United States.

This legislation provides several practical advantages for U.S. manufacturers. Production equipment entering customs territory subject to duty often must be stored, assembled, tested, and/or reconfigured prior to beginning commercial operation for its intended purpose. Many times this equipment is found to be broken, flawed, lacking in components or materials and/or otherwise scrapped as useless. If duties have been filed, recovery of these funds through drawbacks can be burdensome and often full recovery of these financial resources is never realized. This can provide a tremendous financial strain on U.S. manufacturing firms by imposing an unnecessary economic burden.

Under current law, production and capital equipment can be produced or assembled in one foreign trade zone, entered into the Customs territory with payment of duties, and then transferred to another zone where it will be used. However, for many firms this is not always a realistic solution. Often production and capital equipment used in a foreign trade zone, once assembled, cannot be moved.

Prior to 1988, the U.S. Customs Service allowed for the deferral of duty on foreign production equipment in U.S. foreign trade zones where it was to be used until such time as the equipment was placed in commercial operation. In 1988, however, Customs overturned its own ruling without any direction from the Congress.

This legislation is consistent with the intent of the Foreign Trade Zones Act of 1934 (19 U.S.C. 81(c)) which provides for the deferral of duty on merchandise in a foreign trade zone.

Mr. President, I realize this bill will not eliminate the U.S. trade imbalance but it will remove an unnecessary economic burden on U.S. manufacturers and will further enhance our ability to compete in the global marketplace. Further, it will help preserve the American manufacturing base and preserve the American jobs. For these reasons, I urge my colleagues to support the prompt passage of this important legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the CONGRESSIONAL RECORD.

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

#### S. 231

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. DEFERRAL OF DUTY ON CERTAIN PRODUCTION EQUIPMENT.

(a) IN GENERAL.—Section 3 of the Act of June 18, 1934 (commonly known as the Foreign Trade Zones Act, 19 U.S.C. 81c) is amended by adding at the end thereof the following new subsection:

"(e) PRODUCTION EQUIPMENT.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, if all applicable cus-

tom laws are complied with (except as otherwise provided in this subsection), merchandise which may be admitted into a foreign trade zone for use within such zone as production equipment, or parts thereof, shall not be subject to duty until such merchandise is completely assembled, installed, tested, and used in the production for which it was admitted. The duty chargeable shall be at the same rate as would have been imposed (but for the provisions of this subsection) on such production machinery and related equipment, and parts thereof, (taking into account the zone status of the merchandise) had duty been imposed on such production machinery and related equipment, and parts thereof, at the time of entry into the customs territory of the United States.

"(2) FOREIGN TRADE ZONE.—For purposes of this subsection, the term 'foreign trade zone' includes a subzone as defined in section 146.1(b)(17) of chapter 19, Code of Federal Regulations."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to articles entered, or withdrawn from warehouse for consumption, after the date that is 15 days after the date of the enactment of this Act.•

By Mr. HATFIELD:

S. 232. A bill to provide assistance to States to enable such States to raise the quality of instruction in mathematics and science by providing equipment and materials necessary for hands-on instruction; to the Committee on Labor and Human Resources.

#### ELEMENTARY MATHEMATICS AND SCIENCE EQUIPMENT ACT

• Mr. HATFIELD. Mr. President, today I am introducing the Elementary Mathematics and Science Equipment Act, legislation that will work directly toward the achievement of our National Education Goal 4: To educate the next generation of Americans to world-class standards in math and science. My bill will help elementary school teachers across the country acquire the hands-on equipment they must have to introduce the world of math and science to their students.

It is no secret that experiences in the first years of school set a course for the remainder of a student's life. Few have failed to recognize the national importance of developing a work force of capable scientists, engineers, and technicians, and an electorate that can make informed decisions on technical matters.

The thrust of national policy is already moving in the direction of setting higher standards and involving more students frequently in hands-on math and science. The National Council of Teachers of Mathematics has identified the importance of manipulatives in the development of problem solving ability. The National Research Council is well on its way to formulating national science standards for all students, based on a direct involvement by students in the processes of science. Such standards will not, and cannot, be achieved without good equipment, particularly at the elementary level.

Yet, despite the consensus that exists on these points, our elementary programs are lacking the tools to do the job. The vast majority of schools in our urban centers are without math manipulatives. A 1986 survey of fourth-through sixth-grade teachers found that one-third had no science equipment at all, and this condition was shared by a staggering 42 percent of kindergarten through third-grade teachers. These statistics shed some light on why 56 percent of all third graders reported they had never used a meter stick. Kindergarten through sixth-grade teachers reported that the lack of existing materials, and insufficient funds for purchasing new equipment and supplies were the most serious obstacles to teaching science.

If Galileo taught the world anything, it was that the individual must, in the end, be the arbiter of truth. It is a heavy responsibility, and the ultimate shield against ignorance and tyranny. So while science of the past is presented in textbooks, science of the future is learned in the lab where students question, assess, and discover.

Mr. President, \$30 million per year is a very small fraction of what is spent on education, but it will touch the system at a sensitive point. This will not be for computers or textbooks, but for the simple science and math manipulatives essential to hands-on instruction.

In 5 years' time, contingent on appropriations levels, when these funds have been dispersed and local matching funds have joined them, the average classroom will receive about \$300. By favoring school districts in economically deprived areas, the impact will be focused on the neediest schools.

In the 102d Congress the Elementary Science Facilities Act, this bill's precursor, was incorporated into S. 1275, the reauthorization vehicle for the Office of Educational Research and Improvement. It was approved by the Senate Labor Committee in March, but was never brought to the floor. I regret that the Elementary Mathematics and Science Equipment Act is not already law, but the time for this legislation has come. I urge the full support of my colleagues.

I ask unanimous consent that the text of my legislation, along with letters of endorsement from the Council of State Science Supervisors, the National Council of Teachers of Mathematics, the National Science Teachers' Association, and the National Science Resources Center, the American Association for the Advancement of Science, the Triangle Coalition for Science and Technology Education, and the Association for Supervision and Curriculum Development be entered in the CONGRESSIONAL RECORD.

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

COUNCIL OF STATE  
SCIENCE SUPERVISORS,  
January 15, 1993.

Hon. MARK O. HATFIELD,  
Hart Senate Office Building,  
Washington, DC.

DEAR SENATOR HATFIELD: I am writing on behalf of the Council of State Science Supervisors to express our support for your proposed legislation to be introduced in the 103rd Congress, namely the Elementary Mathematics and Science Equipment Act.

Our Council represents the science education sections within the 50 state education agencies and territories. We unanimously agree that the elementary school science program in our nation has the most critical need for improvement in the K-12 science curriculum. Our estimates indicate that the elementary science program is currently operating between the 5 and 10 percent levels of efficiency. We further believe the benefits of an effective experiential elementary science program can contribute significantly to developing a scientifically literate citizenry which will greatly facilitate achieving national goals in science education. Elementary school teachers clearly recognize the value of hands-on science. Studies indicate teachers believe 70 percent of science instruction should be experiential. Unfortunately, 18 percent or less of science instruction is hands-on. The primary reason for this discrepancy is "lack of equipment."

Your bill, The Elementary Mathematics and Science Equipment Act, will provide the means to significantly improve elementary math and science instruction. Research shows the benefits of hands-on science with respect to thinking and reasoning skills, attitudes, creativity, language development, and math and science content understanding. We also know the disadvantaged and minority populations make significant gains in these areas when exposed to hands-on science. Another important component of your bill is that it addresses the need to tie equipment to professional development and inservice education. This aspect of federal legislation relating to equipment has been lacking in the past.

The Council of State Science Supervisors commends you for your efforts to improve elementary math and science. If we can be of assistance, please feel free to contact us.

Sincerely,

WILLIAM E. SPOONER, Ph.D.,  
President, CSSS.

NATIONAL COUNCIL OF  
TEACHERS OF MATHEMATICS,  
Reston, VA, January 14, 1993.

Hon. MARK O. HATFIELD,  
U.S. Senate,  
Washington, DC.

DEAR SENATOR HATFIELD: On behalf of the National Council of Teachers of Mathematics [NCTM], I would like to thank you for your continued support and leadership in working to improve mathematics instruction in the United States. Working together we have made progress in trying to reach the goal of making American students among the best in the world. The recently published NCTM Curriculum Standards have made a significant contribution toward that goal. However, as you know, we have a long way to go.

The NCTM supports the goals and objects of the Elementary Mathematics and Science Equipment Act of 1993; the act will make a significant contribution toward improving the understanding of how to use mathematics to more effectively problem solve and learn.

The NCTM looks forward to working with you to make the goals of this Act a reality. Sincerely yours,

JAMES GATES,  
Executive Director.

NATIONAL SCIENCE  
TEACHERS ASSOCIATION,  
Washington, DC, January 13, 1993.

Hon. MARK O. HATFIELD,  
U.S. Senate,  
Washington, DC.

DEAR SENATOR HATFIELD: We at the National Science Teachers Association [NSTA] share your concern about the quality of elementary school science education. Essential to a good activity-based, hands-on elementary school science and mathematics program is sufficient and accessible materials and equipment. We applaud you for your insight in introducing the Elementary Mathematics and Science Equipment Act.

It is our pleasure to inform you, on behalf of the Board of Directors of the NSTA, that at its meeting held January 19, 1992, the Board voted unanimously to endorse the Elementary Mathematics and Science Equipment Act. We can assure you that the many state and other organizations associated with NSTA will also be supportive.

If there is a way in which our organization can be of assistance, please let us know.

Sincerely,

WENDELL MOHLING,  
President.  
GERRY MADRAZO,  
President-Elect.

NATIONAL SCIENCE RESOURCES CENTER,  
SMITHSONIAN INSTITUTION,  
NATIONAL ACADEMY OF SCIENCES,  
Washington, DC, January 13, 1993.

Hon. MARK O. HATFIELD,  
U.S. Senate,  
Washington, DC.

DEAR SENATOR: The National Science Resources Center [NSRC], a joint enterprise of the National Academy of Sciences and the Smithsonian Institution, enthusiastically supports the Elementary Science Equipment Act. The Act will enable school districts throughout the country to raise the quality of science instruction by providing the necessary funds to purchase equipment and materials required to conduct effective hands-on elementary science instruction.

Becoming first in the world in math and science achievement is one of the highest goals of President George Bush, President-Elect Bill Clinton, and the Nation's governors. In response to this challenge, school districts today are actively engaged in adopting hands-on, inquiry-centered science programs.

Over the past five years, the NSRC has worked closely with more than 126 school districts representing almost 2 million children to develop comprehensive plans for improving their elementary science programs. These districts are committed to establishing and sustaining high-quality science programs for our nation's youth.

From this work, the NSRC has learned that the acquisition and maintenance of the equipment needed to teach hands-on science are an essential component of an effective elementary science program. This support is currently lacking for most school districts.

The Elementary Science Equipment Act addresses this critical need. We believe it will help all school districts move forward with their plans to achieve quality education for the nation's children.

Sincerely,

DOUGLAS LAPP,  
Executive Director.

AMERICAN ASSOCIATION  
FOR THE ADVANCEMENT OF SCIENCE,  
Washington, DC, January 22, 1993.

Senator MARK HATFIELD,  
Hart Senate Office Building,  
Washington, DC.

DEAR SENATOR HATFIELD: I am writing to support the spirit and intent of a bill to provide support for quality hands-on instruction in science and mathematics in our nation's schools. Thank you for the opportunity to review this proposed legislation. Through its programs and policies AAAS has consistently promoted hands-on instruction as an essential element of quality, instruction in science and mathematics. We recognize the dismal state of science equipment and materials and lack of availability of mathematics manipulatives. We also deplore the woeful inadequacy of current professional development activities which stress hands-on instruction.

I hope that further refinement of the proposed legislation will focus on the closer tie between providing equipment and imposing a concurrent requirement for professional development that supports hands-on instruction. We especially support giving highest priority to most seriously under-equipped schools and the proposed bill's attention to the needs of underrepresented groups.

We would recommend specific tie-ins to systemic reform initiatives at state and local levels.

While the equipment and materials are not specified we hope there will be an opportunity to support tradebooks (as opposed to textbooks) and general equipment that supports science as opposed to simply providing high end specialized science equipment.

We hope that these comments are useful.  
Sincerely,

YOLANDA SCOTT GEORGE,  
Deputy Director, Directorate for Education  
and Human Resources Programs.

TRIANGLE COALITION FOR SCIENCE  
AND TECHNOLOGY EDUCATION,  
January 21, 1993.

Hon. MARK O. HATFIELD,  
U.S. Senate,  
Washington, DC.

DEAR SENATOR HATFIELD: The Triangle Coalition for Science and Technology Education is in full support of the Elementary Mathematics and Science Equipment Act. Our earlier position paper "A Plan for Action" made elementary education our highest priority. Triangle members have recognized elementary science education as a key area for (1) a scientifically literate population; (2) a workforce with a strong foundation in mathematics and science; and (3) a base with which to nurture interest and ensure access to continuing study in the sciences.

The Triangle Coalition for Science and Technology is a consortium of over 100 member organizations with representation from business, industry, and labor; scientific and engineering societies; and education associations. The Coalition strongly supports additional federal initiatives for science and mathematics education reform.

Increased investments in elementary education must be the nation's number one priority for additional funds. These new investments must be shaped by a clear strategic plan, which is designed to implement initiatives that maximize the impact of federal dollars.

The Elementary Mathematics and Science Equipment Act is clearly consistent with this priority. We commend you for initiation

of this timely and much needed legislation and will work with you for its passage.  
Sincerely,

JOHN M. FOWLER,  
Executive Director, Triangle Coalition  
for Science and Technology Education.

ASSOCIATION FOR SUPERVISION AND  
CURRICULUM DEVELOPMENT,  
Alexandria, VA, January 14, 1993.

Hon. MARK O. HATFIELD,  
U.S. Senate, Washington, DC.

DEAR SENATOR HATFIELD: The Association for Supervision and Curriculum Development is in full support of the Elementary Mathematics and Science Equipment Act. Curriculum development and appropriate funding for individual subject area growth is an important concern for our organization.

ASCD is a non-profit international organization of approximately 150,000 teachers, administrators, and professors who are dedicated to identifying, disseminating, and nurturing the best in education. Our mission is to "develop leadership for quality in education for all students."

We agree that increased investments in elementary education must be one of the nation's top priorities for additional funds. Such investments must be shaped by a clear strategic plan, which is designed to implement initiatives that maximize the impact of federal dollars.

The Elementary Mathematics and Science Equipment Act appears to be consistent with this priority. We support you in your initiation of this timely and much needed legislation.

Sincerely,

Dr. GENE R. CARTER,  
Executive Director.●

By Mr. BOREN (for himself, Mr. WOFFORD, Mr. SIMON, Mr. DASCHLE, Mr. PRYOR, Mr. ROBB, Mr. HOLLINGS, Mr. INOUE, Mr. MCCAIN, Mr. REID, and Mr. LEVIN):

S. 233. A bill to authorize appropriations for the Civilian Community Corps Demonstration Program; to the Committee on Armed Services.

By Mr. BOREN (for himself, Mr. SIMON, Mr. INOUE, Mr. REID, Mr. DASCHLE, Mr. PRYOR, and Mr. LEVIN):

S. 239. A bill to provide grants to States for the establishment of community works progress programs; to the Committee on Labor and Human Resources.

COMMUNITY WORKS PROGRESS LEGISLATION

Mr. BOREN. Mr. President, I am introducing two very important pieces of legislation today, along with several colleagues in this body. Last winter, I was driving through my hometown of Seminole, OK, and I saw a man on the street holding a sign: "I will work for food for my family." The Oklahoma wind was cutting through him as he pleaded for an opportunity to work so he could feed his family for the day. As I stopped to talk with him about the difficulty of finding work, it became obvious to me that he was a proud person, who sincerely wanted to work. There were simply no jobs to be found.

I was also reminded of Franklin Delano Roosevelt's statement of enduring

truth: What do people want more than anything else? Work and security. They are spiritual values, the true goals toward which our efforts of reconstruction should lead.

Now, just as in the Great Depression, there are thousands of people across the country desperate not only to take care of themselves but also to care for their families. Many would work if given the opportunity. However, even with an economy that is rebounding, job openings are few. Other Americans have lived their entire lives trapped in the cycle of dependency and welfare. As young people, they dropped out of school onto the streets. Their lives are filled with despair, joblessness, drugs, violence, and the dependency systems of welfare and prisons. They have never worked, and many have had few, if any, role models to teach them the discipline of getting up every day and holding a steady job. The situation, Mr. President, is intolerable. In an era of increasing global competitiveness, we cannot afford to let an able and willing work force sit idle. Moreover, a Government response that fosters dependency rather than empowering Americans is unacceptable.

We can find solutions by seeking inspiration from Government programs that FDR designed to cope with the economic and social dislocation of the Great Depression.

Today I am introducing, along with Senator SIMON, Senator WOFFORD, and others, two bills based on the WPA and the CCC of the Depression era. They are bills that we worked on in the last session of Congress as well. The accomplishments of the WPA and the CCC are impressive.

The WPA Program employed 8.5 million people in the course of 8 years. WPA participants built 651,000 miles of highways and roads, 125,000 buildings, and approximately 600 airports. They built or renovated 8,000 parks, 12,800 playgrounds, 1,000 libraries, 5,900 schools. Male and female workers taught over 200,000 adults to read, served over 600 million school lunches, produced more than 300 million garments for poor Americans, and organized 1,500 day care centers that served 36,000 children.

Three million CCC workers, young people in the CCC, worked on the Nation's parks, forests, wilderness, and national monuments. They planted more than 4 billion trees, stocked 2 billion fish, stopped erosion on more than 200 million acres of land, and spent 4 million days fighting fires and floods.

The impressive legacy required an investment of \$90 billion in current standards. By contrast, in the 8 years between 1983 and 1990, the Federal Government spent over \$900 billion to provide all types of income-tested benefits to economically disadvantaged Americans. What has this country gotten for this immense expenditure of taxpayer

funds—\$900 billion? No, we did not get the teaching of 200,000 adults to read. No, we did not get over 600,000 miles of roads. No, we did not get garments for 200 million poor Americans. No, we did not have books written. No, we did not have orchestras conducted as was done during the WPA. Our expensive welfare system instead has managed to produce little more than subsistence-level payments to an increasingly alienated segment of American society. By simply handing people checks, the system has robbed them of any desire to be part of the communities where they live and of any motivation to succeed. Little is worse for a person's self-esteem than to have no reason to get out of bed in the morning and no useful work to perform. We are doing no one a favor by simply sending them a check and allowing them to subsist instead of giving them the self-esteem, the opportunity to work and produce something useful and to give something useful back to their communities.

The future of our Nation's children is increasingly a future of welfare and dependency; the inner city is degraded. Eighty percent of the children in some inner-city areas are born out of wedlock; 9.7 percent of our Nation's children live in households not headed by either parent. Imagine that. Ten percent in families where neither parent is present, where you simply have to hope that a grandparent or friend or aunt or uncle will take care of these children.

They are our children, they are part of the American family. Over 8.5 million of our Nation's children—the hope of this country and our most precious natural resource—received AFDC payments in 1991.

A year ago I and Senator SIMON, along with colleagues, introduced legislation to create a community WPA which would transform the welfare system and address the broader problem of poverty and dependency. The legislation we introduce today is similar, although it reflects improvements that resulted from discussions with experts in the field of poverty and welfare programs and with colleagues during the deliberation of H.R. 11.

I am optimistic that we will succeed in establishing the community WPA in 1993. Welfare reform is a top priority of our new President. Taxpayers resent supporting an astronomically expensive system with very few tangible benefits in turn for what is being spent. Welfare beneficiaries in the meantime are becoming increasingly alienated from mainstream society.

The community WPA is more than a reform of the welfare system, however. This program is constructed so that it reaches not only women with dependent children but it also includes as many unemployed men as possible. The number of men can be required to participate through the AFDC Unemployed Parent Program. Americans

who are receiving unemployment compensation could choose if they wish to participate in projects. Many other men not counted in the official Government figures are falling through the cracks in the current system, because they have never held a job entitling them to unemployment compensation and they have never received direct AFDC benefits. Some of them can be reached by including positions for unemployed persons in any community WPA project.

Finally, another group of men and women can be involved in the community WPA by requiring the participation of unemployed noncustodial parents who are more than 2 months in arrears on child support programs. This provision also promises to bring some of our Nation's decline out of poverty. As much as \$25 billion in child support may be uncollected now, much of which would go to helping to lift the single mothers and their children out of poverty.

Mr. President, in addition to the community WPA proposal, which is offered again today by Senator SIMON, Senator REID, myself, and others, I have joined with Senator SIMON again and Senator WOFFORD, and several other of our colleagues, in introducing legislation to reauthorize the demonstration project of the Civil Community Corps.

This program, which was established as part of the Defense authorization bill last autumn, received enthusiastic support last year in the Congress and throughout the country. That enthusiasm has only increased with the election of Bill Clinton because national youth service is a vital component of his domestic agenda. Accordingly, we propose this legislation to reauthorize the CCC and look forward to working with the administration to ensure that this model of youth service is part of the wider national service effort.

Feelings of hopelessness and alienation are commonplace among today's inner-city youth. Lacking any sense that they are important parts of their communities, they search for ways to belong. In many cases, this search brings them to the violence of gangs or the degeneration of drugs. Even young people who feel more connected to their communities, who have not fallen into the trap of dependency, search for concrete ways to contribute to their country. They do not want to be dismissed as having no valuable skills or talents that can be used to improve their surroundings.

The idea of national youth service offers hope to many young Americans and provides an outlet for their desire to make a difference in their communities. The Commission on National and Community Service has been instrumental in encouraging local youth service initiatives. The vitality of the more than 75 youth service and con-

servations operating throughout the United States indicates the success of the Commission in meeting its charge and the dedication of the many leaders in the youth service movement. Indeed, after lengthy discussions with members of the Commission, we chose to locate the CCC in the Commission so that the CCC director can draw on its experience and so that he or she can coordinate with the other youth service initiatives in the country. Such coordination is crucial because I expect that CCC graduates will return to their homes ready to continue their service in their communities and eager to share their enthusiasm with local residents. Moreover, the CCC camp superintendents are directed to consult with community-based organizations in developing and choosing projects for corpsmembers.

Although the CCC is complementary to current youth service initiatives, it is a unique program that adds diversity to the menu of national service opportunities. It is a federally run, residential program that will bring together young people from different parts of the country and from different ethnic groups. Corpsmembers will share different perspectives with each other, increasing their tolerance and understanding for different ideas and approaches and increasing their appreciation for the enormous diversity that is the strength of this great country. Young people from urban areas may be given an opportunity to live and work in rural America, and all corpsmembers will have the experience of living in another part of the country. Only a national program that combines a team approach with a residential component offers this experience for our Nation's youth.

The second unique characteristic of the CCC is its use of the resource of the military. The CCC was established as part of the Defense authorization bill that offered various opportunities for the many talented men and women who are being forced to leave the military as we streamline the military consistent with the realities of the post-cold-war world. Senators NUNN, INOUE, PRYOR, and others who played key roles in crafting the defense conversion package realized that the changes offer our country a chance to use the talents, skills, and knowledge of our military servicepersons in innovative ways to strengthen the United States in the long run. In this respect the CCC allows retired, discharged, or inactive military personnel to play a vital role in the program as mentors and teachers, imparting to young Americans the values of discipline and organized work.

The CCC may be led by a retired military officer, and many of the other professionals who will comprise the cadre of teachers will be drawn from a pool of retired, discharged, or inactive service-

persons. Of course, just as the corpsmembers will be a diverse group of Americans, their teachers will also come from different backgrounds and professional careers. The CCC will involve people who have been active in the Peace Corps, in VISTA, or in other similar programs, who have experience in youth training and national service programs, or who share a commitment to building a national community or dedicated citizens. Military servicepersons have unique skills, however, given their experience with training young people in discipline techniques. They can provide much of the advanced service training, which involves learning basic skills and teamwork and participating in rigorous physical training.

In addition, the CCC camps, each housing and training 200 to 300 young people, will be situated at military bases or national guard facilities that are either closed or have excess capacity as a result of the defense conversion. Utilizing these existing facilities should help keep down the costs of the CCC Program.

The discipline of a military-type training program is very important for many of today's youth. I think Arthur Ashe described the value of discipline and organized work best in an op-ed piece he wrote immediately after the L.A. riots.

Families rent apart by welfare dependency, job discrimination and intense feelings of alienation have produced minority teenagers with very little self-esteem and little faith that good grades and the American work ethic will pay off. A military-like environment for them with practical domestic objectives could produce startling results. \* \* \*

Discipline is a cornerstone of any responsible citizen's life \* \* \*. [I]t must be learned or it doesn't take hold.

Certainly, the CCC model—a federally run, residential program with an emphasis on military-style training and discipline—is a model that must be part of any national service program designed to offer a diverse array of service opportunities.

The legislation that we propose today would reauthorize the CCC so that the project could continue in the next fiscal year. I also note that the \$20 million we appropriated last year for the CCC, as well as the additional \$20 million for local youth service corps, has just been released to the Commission. Given the CCC's use of the military and the role it plays in the economic conversion, the new administration easily made the decision to score the program as defense spending. I look forward to working with the Commission and other interested persons to get the CCC up and running as quickly as possible.

The CCC will instill a sense of community in young corpsmembers by adopting a curriculum of service-learning where participants work in teams on specific and meaningful community

projects. After they complete their advanced service-learning, they will go out into the communities, as members of unified teams, and work on important projects that will contribute to their understanding of civic responsibility and national involvement. These projects will range from urban renewal to environmental protection. The Nation thus benefits doubly—from the results of the work and from the effect of the experience on the young people and on their teachers.

The CCC is consistent with the President's vision of youth service because it emphasizes the importance of education. Corpsmembers will participate in educational and training programs in a variety of technical fields. Youths who have not received a high school diploma will work toward that goal as they participate in the CCC. After their service, corpsmembers will be eligible for substantial educational credits—\$5,000 for every year of service—or for half that amount in cash. This compensation is in addition to a living allowance that is provided for participants that may include allowances for travel, personal expenses, transportation, equipment, clothing, and other services and supplies. The Director may also determine that it is appropriate to provide other postservice benefits to help corpsmembers complete the transition from the CCC to work or school.

We must reawaken the spirit of community in this country. That spirit has remained dormant for too long. President Clinton has helped to bring this issue to the forefront of the national agenda. We must take advantage of this strong consensus for national youth service by providing young Americans with various opportunities to contribute in meaningful ways to their communities. I look forward to working with my colleagues, the administration, and the Commission to ensure the success of this effort.

Mr. President, so often it seems that our current system to combat poverty discourages an individual's initiative and encourages dependency. We have to reexamine the basic assumptions of our assistance programs and determine whether or not there are better solutions that reward people who take responsibility for their decisions and for their lives.

We talk frequently in this country of empowerment. Nothing empowers people more than a job and the feeling of accomplishment that goes with it. The most serious result of Government handouts is that recipients begin to feel that they are not useful, that their lives do not count for anything. They lose their sense of self-worth and they become divorced from any feeling of community. Instead of exacerbating the growing division between taxpayers and welfare recipients, and instead of trying to fix the status quo system

with patches and band aids, it is time to adopt a sweeping change in our welfare system. It is time to make Americans, all Americans, part of the same team, working, doing something useful to help make this country a better place.

We must use assistance to instill all of our citizens with the ethic of hard work, reward them for providing service in their communities, and give them accomplishments on which they can look back with pride.

I will never forget an experience which perhaps more than any other convinced me to work toward introducing these two bills, to bring a modern updated version of the WPA and the CCC.

One evening while I was completing an address at an outdoor meeting in a football stadium in Oklahoma, an elderly man came up to me in this small community and he said: "Senator, I want to take you over and show you something."

He took me to the side of that football stadium which was an old rock wall, beautifully constructed. He said: "What do you think about that wall?" He said: "You know, I built that wall when I worked on the WPA. Look at that, Senator, there is not a crack in it to this good day."

I will never forget the pride that he felt. That was not anyone else's wall. It was his. I bet he is so proud of that stadium that he has never thrown a candy wrapper down inside it. It connected him with the community. He was not sent a check through the mail for doing nothing, a check which came to him for no reason other than getting up in the morning, a check which would barely keep him alive fiscally but did not help him physically.

No, he was given even a chance to work, given a chance to do something for his community, given a chance to do something that made him permanently, 40 years later, a proud part of that community, proud of what he had given as an American back to his hometown.

It is time, Mr. President, it is past time for us to stop doing what we have been doing, for us to change a welfare system that is failing, failing the old and the young alike, and give people in this country a chance once again to do something to help themselves, to help this country to become a unified part of the American family.

I welcome the opportunity presented in this Congress to take part in transforming the culture of dependency into a culture of empowerment.

Mr. President, I ask unanimous consent that the text of my written statement and the text of the Civilian Community Corps demonstration program bill be printed in the RECORD.

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

S. 233

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

**SECTION 1. AUTHORIZATION OF APPROPRIATIONS.**

(a) IN GENERAL.—Section 195N of the National and Community Service Act of 1990, as added by section 1092(a) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2522), is amended—

(1) in the text of such section, by inserting “(b) FUNDING LIMITATION.—” before “The Commission.”;

(2) by inserting below the section heading the following new subsection (a):

“(a) AUTHORIZATION OF APPROPRIATIONS.—For fiscal years beginning after September 30, 1993, there is authorized to be appropriated for the Civilian Community Corps Demonstration Program established pursuant to section 195A such sums as may be necessary to carry out such program.”; and

(3) by striking out the section heading and inserting in lieu thereof the following:

“SEC. 195N. FUNDING MATTERS.”.

(b) TABLE OF CONTENTS.—The item relating to section 195N in the table of contents in section 1(b) of the National and Community Service Act of 1990 is amended to read as follows:

“195N. Funding matters.”.

Mr. BOREN. Recently, I was driving through my hometown of Seminole, and I saw a man on a street corner holding a sign: “I’ll work for food for my family.” He was standing outside on a very cold day with only a light-weight coat on. The Oklahoma wind was cutting through him as he pleaded for an opportunity to work so that he could feed his family for the day. As I stopped to talk with him about the difficulty of finding work, it became obvious to me that he was a proud person who sincerely wanted to work—there were no jobs to be found. I was also reminded of Franklin Delano Roosevelt’s statement of enduring truth:

What do people want more than anything else? Work and security. They are spiritual values, the true goals toward which our efforts of reconstruction should lead.

Now, just as in the Great Depression, there are thousands of people across the country desperate not only to take care of themselves, but also to care for their families. Many would work if given the opportunity; however, even with an economy that is rebounding slightly, job openings are few. Other Americans have lived their entire lives trapped in the cycle of dependency. As young people, they dropped out of school and into the streets. Their lives are filled with despair, joblessness, drugs, violence, and the dependency systems of welfare and prisons. They have never worked—and many have had few, if any, role models to teach them the discipline of getting up every day and holding a steady job.

This situation is intolerable. In an era of increasing global competitiveness, we cannot afford to let an able and willing work force sit idle. Moreover, a government response that fos-

ters dependency, rather than empowering Americans, is unacceptable. When FDR was faced with a similar problem, he rejected proposals to establish programs giving people cash assistance only.

[C]ontinued dependence upon relief induces a spiritual and moral disintegration fundamentally destructive to the national fiber. To dole out relief in this way is to administer a narcotic, a subtle destroyer of the human spirit. We must preserve not only the bodies of the unemployed from destitution but also their self-respect, their self-reliance and courage and determination.

Not only are his words instructive, but we can also be inspired by the Government program that FDR designed to cope with the economic and social dislocation of the Great Depression. He formed the Works Progress Administration to employ out-of-work Americans. The accomplishments of the WPA are impressive. The program employed 8.5 million people over the course of 8 years. Each year, the WPA employed on the average 5 percent of all workers in the American economy, and by the time the WPA was phased out, the projects had employed 20 percent of the work force.

The WPA participants built 651,000 miles of highways and roads, 78,000 bridges, 125,000 buildings, and approximately 600 airports. They built or renovated 8,000 parks, 12,800 playgrounds, 1,000 libraries, and 5,900 schools. Male and female workers taught over 200,000 adults to read, served over 600 million school lunches, produced more than 300 million garments for poor Americans, and organized 1,500 day care centers that served 36,000 children.

Certainly, these statistics are impressive, but they do not reveal the human dimension of the bricks and mortar assembled by these hard-working Americans. In my own State of Oklahoma, WPA participants restored the home of the great Cherokee leader Sequoyah and helped excavate the Spiro Mounds, remains of a pre-Columbian native American community. The dean of the Yale Music School told me that one of the first concerts that he remembers hearing was performed by a WPA-sponsored orchestra. The Federal art project encouraged painters like Jackson Pollock and William de Kooning and arranged for the murals, sculptures, and paintings on display in so many public buildings across the land. Among the 6,000 such artists were significant numbers of native American artists from Oklahoma and other parts of the Southwest, and the WPA program is credited with increasing national awareness of native American culture and painting.

The example of the WPA resonated with me and several of my colleagues. Senator SIMON and I realized that the impressive legacy of the WPA required this country to make an investment of \$90 million in today’s terms to build infrastructure, to revitalize our natural

resources, and to provide opportunity, hope, dignity, and self-sufficiency for millions of unemployed Americans. By contrast, in the 8 years between 1983 and 1990, the Federal Government spent over \$900 billion to provide all types of income-tested benefits to economically disadvantaged Americans. What has the country gotten for this immense expenditure of taxpayer funds? How have the lives of the recipients been improved?

Our expensive welfare system has managed to produce little more than subsistence-level payments to an increasingly alienated segment of American society. By simply handing people checks, the system has robbed them of any desire to be part of the communities where they live and of any motivation to succeed. Little is worse for a person’s self-esteem than to have no reason to get out of bed in the morning and no useful work to perform, and to live in a culture where almost everyone else faces the same desperate situation.

The problem is only growing worse as more and more Americans are forced onto the welfare rolls. The number of families on AFDC reached an all-time high in 1991, with an average monthly enrollment of almost 4.4 million families, as compared to a monthly average of 3.9 million in 1981. In January 1992, 13.5 million Americans were receiving AFDC payments. Enrollment is expected to increase steadily over the next few years, reaching a total of 4.8 million families in 1997.

The future of our Nation’s children is increasingly a future of welfare and dependency. The inner-city family is disintegrating. Eighty percent of children in some inner-city areas are born out of wedlock; 9.7 percent of our Nation’s children live in households not headed by either parent. Although the child’s mother may live in the house, she is often a drug addict or a teenager who plays only a minor role in child-raising and imparts few, if any, values and notions of responsibility to her offspring. Perhaps because of the absence of one or both parents, over 40 percent of households with young children live in poverty, a higher percentage than in any other Western industrialized nation. Over 8.5 million of our Nation’s children—the hope of this country and our most precious national resource—received AFDC payments in 1991.

As we become more aware of these intolerable statistics, we are compelled to search for reasons for this entrenched poverty, poverty that deadens the spirit of so many of our citizens and denies our children any real opportunity for success. Mickey Kaus, author of a recent book on America’s social welfare policy, argues that although the welfare system may not have caused the economic and social poverty of the inner-city ghetto, it has enabled the underclass to endure, the poverty to continue, and the country

largely to ignore the human cost of the ghetto. It has allowed the underclass to subsist—barely—which keeps the inner cities under control so that life outside the ghetto is seldom directly affected. The poor have little incentive to find employment as long as they can survive on Federal assistance and as long as there is no pressure from those around them to emerge from the cycle of dependency and hopelessness. As Kaus observes, "[T]here is a culture of poverty out there that has taken on a life of its own."

A year ago, Senators SIMON, WOFFORD, and I, along with other colleagues, introduced S. 2373, legislation to transform the welfare system and to address the broader problem of poverty and dependency. Our Community WPA program, based on the Great Depression program and complementary to the current welfare JOBS Program, received enthusiastic and bipartisan support. President Carter endorsed the Community WPA because it "will help create opportunity in economically disadvantaged communities, while increasing their fiscal well-being and raising the quality of life through projects which provide tangible community benefits." Under the leadership of Senator Bentsen, the urban aid tax bill established six demonstration programs of the Community WPA and provided \$200 million of funding over 3 years. H.R. 11 was vetoed in November, so we must renew our efforts in the 103d Congress to pass legislation.

I am optimistic that we will succeed in establishing the Community WPA in 1993. Welfare reform is a top priority of the Clinton administration. The call for welfare reform comes from all parts of the political spectrum. Taxpayers resent supporting an astronomically expensive system with very few tangible benefits in return for what is being spent. Welfare beneficiaries, in the meantime, are becoming increasingly alienated from mainstream American society. Robbed of a sense of being a part of the communities where they live and the self-esteem that comes from the satisfaction of performing useful work, they are left with no hope and no motivation to achieve. There is no question that the idleness encouraged by the current welfare system contributes to increased crime rates, drug abuse, family disintegration, higher school dropout rates, and many other serious social programs.

Candidate Bill Clinton proposed welfare reform along lines that are strikingly similar to the Community WPA. He advocated providing welfare recipients with cash assistance, education, and training for only a limited period of time; thereafter, people would be required to work in community service projects or find other employment. Both his proposal and the Community WPA are based on the one common-sense principle: If you are able to work,

you will have the opportunity to work. Society will fulfill its obligations to people who are down on their luck, but it has the right to ask those persons to help themselves in return.

The Community WPA is more than a reform of the welfare system, however. The program is constructed so that it reaches not only women with dependent children, but also so that it includes as many unemployed men as possible. Requiring participation from AFDC recipients alone cannot meet this objective because 92 percent of AFDC families have no father living in the home. A number of men can be required to participate through the AFDC-Unemployed Parent Program that was established in 1990 to offer assistance to children of two-parent families who are needy because of the unemployment of one of their parents. Americans who are receiving unemployment compensation can choose to participate in projects. Many other men not counted in official unemployment figures are falling through the cracks in the current system because they have never held a job entitling them to unemployment compensation or they have never received AFDC benefits. Some of them can be reached by including positions for unemployed persons in any Community WPA project.

Finally, another group of men can be involved in the Community WPA by requiring the participation of unemployed noncustodial parents who are more than 2 months in arrears in their child support payments. This provision also promises to help bring some of our Nation's children out of poverty. According to a report by the Commission on Interstate Child Support, about 10 million mothers were entitled to child support payments in 1989, but only 5.7 million had support orders or agreements, and only half of them actually received payments. As much as \$25 billion in child support may be uncollected now, much of which would go to helping to lift single mothers and their children out of poverty. By employing noncustodial parents who owe such child support, the Community WPA can provide a way for them to meet their financial obligations to their children.

The legislation that we introduce today is similar to portions of S. 2373, the legislation that we introduced in the 102d Congress. As we discussed this legislation with experts in the fields of poverty and welfare programs and as the legislation was considered by the Senate and the House during the deliberations of H.R. 11, we improved the program in various ways. Today's proposal reflects those improvements. The States are instructed to present applications to the Secretary of Labor detailing the Community WPA program that they propose to establish. The projects that they design must provide

unemployed Americans the opportunity to work in teams on meaningful community projects. Local and State agencies, as well as private nonprofit organizations, can apply to the States to participate.

The commitment of the country to this kind of jobs program will not be limited to the governmental sector; the entire community must pull together to put people to work on projects vital to the well-being of the society. Such community involvement is empirically possible. An example of such involvement can be found in Tulsa, OK. IndEx is a nonprofit corporation operated by the private sector to provide jobs and training to AFDC recipients. This innovative 42-week program provides extensive initial training, including preparation for the GED for those who do not have a high school diploma and computer skills for all participants, and individually tailored work and education plans thereafter.

A Community WPA project includes any activity that serves a significant public purpose in fields such as health, social services, environmental protection, education, urban and rural development and redevelopment, recreation, public safety, and child care. Just as President Roosevelt's New Deal connected the need for creating jobs with the need to improve the Nation's infrastructure, we can take the human resource pool of idle but able Americans and pair it with the need to repair many of the structures built almost 60 years ago by the first WPA. The Conference of Mayors has identified 7,200 projects in 506 cities that are ready to go immediately. These public works projects include building and maintaining streets, roads, sidewalks, bridges, public transit systems, sewer and water systems, schools, police and fire facilities, libraries, parks, and low- and moderate-income housing.

These jobs will enhance the skills of men and women through on-the-job learning as well as through more formal job enhancement activities. Working on a project will teach necessary life skills, such as the importance of coming to work on time and the way to work with others in a productive venture. The discipline of work is a radically new, and often frightening, experience for many who have never held a job, and programs must be structured so that participants are encouraged to shed the habits of dependency. Job training outside the Community WPA project will be closely coordinated with existing State services and with community-based job training and education facilities. To assure that each person will have time to seek other employment or to participate in alternative job training and readiness activities, no person will be allowed to work on a project more than 32 hours a week. In many cases, for the first time, involvement in the Community WPA

will give people an actual work experience to list on the resumes that they are learning to write.

Participants who are receiving AFDC or unemployment compensation will work the number of hours equal to the lowest benefit paid in their State divided by a rate of pay determined by the Secretary of labor after consultation with an advisory committee. We choose to use the lowest benefit figure to ease the administrative burden on State agencies, eliminating the need to keep track of different requirements for each participant. Another change in this legislation is our decision to require the Secretary to determine the appropriate rates of pay for participants. The issues involved in setting the rates of pay for these projects are difficult. On the one hand, it is important that pay be sufficient but not so attractive that participants lose any incentive to search for private employment once they acquire necessary job skills. The Community WPA is only a step in the process of eliminating dependency and teaching responsibility; it is not intended to become a career. On the other hand, we must be cognizant of the concerns of organized labor, whose national leaders worry about the downward pressure on wages that may be caused by a government jobs program offering low-wage employment. Of course, the act contains stringent nondisplacement language and tough definitions of projects that should protect the jobs of Americans who are currently employed.

The advisory committee will include representatives of business, labor, and beneficiaries. After considering its recommendation, the Secretary cannot set a rate of pay lower than the minimum wage, and he must provide a bonus payment for AFDC and UI recipients who meet the work requirements. The bonus demonstrates that the Community WPA is not a punitive proposal; rather, it is designed to increase the opportunities for disadvantaged people while fostering the value of work in our society. The rate of pay that the Secretary establishes will be used to calculate the wages for other participants on a project and for any additional hours that AFDC or UI recipients work. In particular cases, the Secretary can approve alternate wage rates that reflect differences in experience or job requirements. In addition, the act encourages projects to pay participants their monthly benefit and bonus with one check to establish further the link between work and earnings.

Mr. President, so often it seems that our current system to combat poverty discourages an individual's initiative and encourages dependency. We have to reexamine the very basic assumptions of our assistance programs and determine whether there are better solutions that reward people who take re-

sponsibility for their decisions and their lives. We talk frequently in this country of empowerment. Nothing empowers people more than a job and the feeling of accomplishment that goes with it. The most serious result of Government handouts is that recipients begin to feel that they are not useful. They lose their sense of self-worth and become divorced from any feeling of community.

Instead of exacerbating the growing division between taxpayers and welfare recipients and instead of trying to fix the status quo system with patches and Band-Aids, it is time to adopt sweeping change. It is time to make all Americans part of the same team. We must use assistance to instill in all our citizens the ethic of hard work, reward them for providing service to their communities, and give them accomplishments on which they can look back with pride. I welcome the opportunity presented in this Congress to take part in transforming the culture of dependency into a culture of empowerment.

Mr. President, I ask unanimous consent that a copy of the community works progress programs bill be printed in the RECORD.

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

S. 239

*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 "Community Works Progress Act of 1993".

#### SEC. 2. ESTABLISHMENT.

The Secretary of Labor (hereafter referred to in this Act as the "Secretary") shall, in consultation with the Secretary of Health and Human Services, award grants to States for the establishment of community works progress programs.

#### SEC. 3. DEFINITIONS.

For purposes of this Act:

(1) **COMMUNITY WORKS PROGRESS PROGRAM.**—The terms 'community works progress program' and 'program' mean a program established by a State under which the State will select governmental and nonprofit entities to conduct community works progress projects which serve a significant public purpose in fields such as health, social service, environmental protection, education, urban and rural development and redevelopment, welfare, recreation, public facilities, public safety, and child care.

(2) **COMMUNITY WORKS PROGRESS PROJECT.**—The terms 'community works progress project' and 'project' mean an activity conducted by a governmental or nonprofit entity that results in a specific, identifiable service or product that, but for this Act, would not otherwise be done with existing funds and that supplements but does not supplant existing services.

(3) **GOVERNMENTAL ENTITY.**—The term 'governmental entity' means any agency of a State or local government.

(4) **NONPROFIT ENTITY.**—The term 'nonprofit entity' means an organization—

(A) described in section 501(c) of the Internal Revenue Code of 1986; and

(B) exempt from taxation under section 501(a) of such Code.

#### SEC. 4. APPLICATIONS BY STATES.

(a) **IN GENERAL.**—Each State desiring to conduct, or to continue to conduct, a community works progress program under this Act shall submit an annual application to the Secretary at such time and in such manner as the Secretary shall require. Such application shall include—

(1) identification of the State agency or agencies that will administer the program and be the grant recipient of funds for the State,

(2) a description of the procedure under which governmental and nonprofit entities will solicit the State agency or agencies administering the program for funds to conduct a community works progress project,

(3) a description of each type of project to be conducted under the program, including a description of the types and duration of training and work experience to be provided to participants in each such project,

(4) a comprehensive description of the objectives and performance goals for each project to be conducted under the program,

(5) an estimate of the number of participants necessary for each proposed project, the length of time that the services of such participants will be required, and the support services that will be required for such participants,

(6) a description of a plan for managing and funding each project,

(7) a description of the basic standards of work requirements, sanitation, and safety for each project and the manner in which such standards will be enforced,

(8) a description of a plan to assign participants to projects as near to the homes of such participants as is reasonable and practicable or to provide appropriate transportation for participants,

(9) a description of how the program will offer participants flexibility in scheduling hours to be worked,

(10) an assurance that the State or local administering agency described in part D of title IV of the Social Security Act located within the State or unit of general local government, as the case may be, will seek court-ordered enrollment in projects of a noncustodial parent who is not employed and who is at least 2 months in arrears in the payment of court ordered child support,

(11) an assurance that, prior to the placement of a participant in a project, the governmental or nonprofit entity conducting the project will consult with any local labor organization representing employees in the area who are engaged in the same or similar work as that proposed to be carried out by such project,

(12) a description of any formal job training or job search arrangements to be made available to the participants in cooperation with State agencies,

(13) an assurance that each project will be coordinated with other federally assisted education programs, training programs, social service programs, and other appropriate programs,

(14) an assurance that each project will participate in cooperative efforts among community-based agencies, local educational agencies, and local government agencies (as defined in paragraphs (3), (11), and (12), respectively, of section 101 of the National and Community Service Act of 1990), businesses, and State agencies, to develop and provide supportive services,

(15) a description of fiscal control, accounting, audit, and debt collection procedures to

assure the proper disbursement of, and accounting for, funds received under this Act.

(16) a projection of the amount each governmental or nonprofit entity conducting a project under this Act intends to spend on such project on an annual basis and in the aggregate.

(17) procedures for the preparation and submission to the State of an annual report by each governmental or nonprofit entity conducting a project that shall include—

(A) a description of activities conducted under the project during the program year;

(B) characteristics of the participants in the project; and

(C) the extent to which the project exceeded or failed to meet relevant performance standards; and

(18) such other information that the Secretary determines appropriate.

(b) CONSIDERATION OF APPLICATIONS.—In reviewing all applications received from States desiring to conduct or continue to conduct a community works progress program under this Act, the Secretary shall consider—

(1) the unemployment rate for the area in which each project will be conducted,

(2) the proportion of the population receiving public assistance in each area in which a project will be conducted,

(3) the per capita income for each area in which a project will be conducted,

(4) the degree of involvement and commitment demonstrated by public officials in each area in which a project will be conducted,

(5) the State's history of success with offering job opportunities training programs to individuals receiving general welfare benefits or aid to families with dependent children under part A of title IV of the Social Security Act,

(6) the likelihood that a project will be successful,

(7) the contribution that a project is likely to make toward improving the quality of life of residents of the area in which the project will be conducted,

(8) geographic distribution,

(9) the extent to which each project will encourage team approaches to work on real, identifiable projects,

(10) the extent to which private and community agencies will be involved in projects, and

(11) such other criteria as the Secretary deems appropriate.

(c) MODIFICATION TO APPLICATIONS.—If changes in labor market conditions, costs, or other factors require substantial deviation from the terms of an application approved by the Secretary, the State shall submit a modification of such application to the Secretary.

#### SEC. 5. PARTICIPATION IN PROJECTS.

(a) IN GENERAL.—To be eligible to participate in a project under this Act, an individual shall be—

(1) receiving, eligible to receive, or have exhausted unemployment compensation under an unemployment compensation law of a State or of the United States,

(2) receiving, eligible to receive, or at risk of becoming eligible to receive, aid to families with dependent children under part A of title IV of the Social Security Act,

(3) a noncustodial parent of a child who is receiving aid to families with dependent children under part A of title IV of the Social Security Act,

(4) a noncustodial parent who is not employed and is at least 2 months in arrears in payment of court ordered child support, or

(5) an individual who—

(A) is not receiving unemployment compensation under an unemployment compensation law of a State or of the United States;

(B) if under the age of 20 years, has graduated from high school or has the equivalent of a high school education;

(C) has resided in the State in which the project is located for a period of at least 60 consecutive days prior to the placement of such individual in such project;

(D) has been unemployed for a period of at least 35 workdays prior to the placement of such individual in such project;

(E) does not reside in the same dwelling place with more than 1 individual who is a participant under a project that is the subject of a grant award under this Act; and

(F) is a citizen of the United States.

#### (b) MANDATORY PARTICIPATION.—

(1) IN GENERAL.—Except as provided in paragraph (2), in any State conducting a program, an individual who has been participating in the job opportunities and basic skills training program under part F of title IV of the Social Security Act for at least 2 years and has not found employment shall be required to participate in a project.

(2) WAIVER OF REQUIREMENT.—A State agency administering a program may waive the requirement under paragraph (1) in the case of any individual who is completing educational or vocational training under the job opportunities and basic skills training program under part F of title IV of the Social Security Act and such waiver may continue for a period of 3 months after the completion of such educational or vocational training.

#### SEC. 6. HOURS AND COMPENSATION.

##### (a) DETERMINATION OF COMPENSATION.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary shall, based on the initial and annual reports submitted by the advisory committee established under paragraph (3), determine—

(A) the hourly wage rate or rates for determining the minimum number of hours a participant in a community works progress project who is receiving unemployment compensation under an unemployment compensation law of a State or of the United States must agree to work on a monthly basis under subsection (b)(2)(A);

(B) the hourly wage rate or rates for determining the minimum number of hours a participant in a project who is receiving aid to families with dependent children under part A of title IV of the Social Security Act must agree to work on a monthly basis under subsection (b)(2)(B);

(C) the compensation to be paid to a participant in a project under subsection (c)(1); and

(D) the hourly wage rate or rates to be paid under subsection (c)(2) to a participant in a project who accepts an offer to work hours in addition to the number of hours determined under subsection (b)(2).

(2) LIMITATION.—Any determination made by the Secretary under paragraph (1) shall not result in a participant receiving on an hourly basis an amount below the Federal minimum wage or the applicable State minimum wage, whichever is greater.

##### (3) ADVISORY COMMITTEE ON HOURS AND COMPENSATION.—

(A) ESTABLISHMENT.—The Secretary shall establish an advisory committee (hereafter referred to in this section as the "Committee") for the purpose of assisting the Secretary in matters described in paragraph (1).

(B) COMPOSITION.—The Committee shall be composed of individuals appointed by the Secretary representing—

(i) the Department of Health and Human Services;

(ii) the business community;

(iii) labor organizations;

(iv) individuals who are likely to be participants in a program;

(v) State and local governments; and

(vi) other individuals or groups determined appropriate by the Secretary.

(C) REPORT.—Within 90 days after the date of the enactment of this Act and on each anniversary of such date, the Committee shall submit a report to the Secretary containing the Committee's findings and conclusions with respect to the matters described in paragraph (1).

##### (D) COMPENSATION.—

(i) IN GENERAL.—Members of the Committee shall serve without compensation.

(ii) EXPENSES REIMBURSED.—While away from their homes or regular places of business on the business of the Committee, the members of the Committee may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in Government service.

(iii) SUPPORT.—The Secretary shall supply such necessary office facilities, office supplies, support services, and related expenses as necessary to carry out the functions of the Committee.

(E) APPLICATION OF THE ACT.—The provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply with respect to the Committee.

##### (b) WORK REQUIREMENTS RELATED TO PARTICIPATION.—

###### (1) IN GENERAL.—

(A) MAXIMUM HOURS.—In order to assure that each individual participating in a project will have time to seek alternative employment or to participate in an alternative employability enhancement activity, no individual may work as a participant in a project under this Act for more than 32 hours per week.

(B) REQUIRED JOB SEARCH ACTIVITY.—Individuals participating in a project who are not receiving aid to families with dependent children under part A of title IV of the Social Security Act or unemployment compensation under an unemployment compensation law of a State or of the United States shall be required to participate in job search activities determined appropriate by the Secretary.

###### (2) ADDITIONAL REQUIREMENTS RELATED TO NUMBER OF HOURS WORKED.—

(A) INDIVIDUALS RECEIVING UNEMPLOYMENT COMPENSATION.—Except as provided in paragraph (1)(A), individuals who are receiving unemployment compensation under an unemployment compensation law of a State or of the United States shall agree to work as participants in a project on a monthly basis the number of hours determined by dividing—

(i) the lowest amount of monthly unemployment compensation any individual in the State is eligible to receive, by

(ii) an hourly wage rate determined appropriate by the Secretary under subsection (a)(1)(A).

(B) INDIVIDUALS RECEIVING AFDC.—Except as provided in paragraph (1)(A), individuals who are receiving aid to families with dependent children under part A of title IV of the Social Security Act shall work as participants in a community works progress project on a monthly basis the number of hours determined by dividing—

(i) the lowest amount of monthly assistance any family is eligible to receive under such part in the State, by

(ii) an hourly wage rate determined appropriate by the Secretary under subsection (a)(1)(B).

(c) COMPENSATION FOR PARTICIPANTS.—

(1) IN GENERAL.—

(A) INDIVIDUALS RECEIVING UNEMPLOYMENT COMPENSATION OR AFDC.—Each participant in a project who is receiving unemployment compensation under an unemployment compensation law of a State or of the United States or aid to families with dependent children under part A of title IV of the Social Security Act and who worked the number of hours determined under subsection (b)(2) shall be compensated for participation in such project on a monthly basis a bonus amount determined appropriate by the Secretary under subsection (a)(1)(C). Such amount shall be paid from grant funds awarded to the State and shall be in addition to any such benefit received by such participant.

(B) INDIVIDUALS NOT RECEIVING UNEMPLOYMENT COMPENSATION OR AFDC.—Each participant in a project who is not described in subparagraph (A) shall be paid for each hour worked as a participant on such project an amount determined appropriate by the Secretary under subsection (a)(1)(C).

(2) COMPENSATION FOR ADDITIONAL WORK HOURS.—If an individual who is receiving unemployment compensation under an unemployment compensation law of a State or of the United States or an individual who is receiving aid to families with dependent children under part A of title IV of the Social Security Act accepts an offer to work hours in addition to the number of hours determined under subsection (b)(2), such individual shall be paid for each such additional hour an amount determined appropriate by the Secretary under subsection (a)(1)(D). Such amount shall be paid from grant funds awarded to the State and shall be in addition to any such benefit received by such participant.

(3) ALTERNATIVE COMPENSATION METHODS.—The Secretary may approve any application submitted by a State under this Act which provides for an alternative to the method of compensation for participants in a project set forth in this Act if such alternative method is based on an individual participant's skill level, education, or responsibility on the project, and such alternative method—

(A) does not reduce the amount received by any participant on an hourly basis below the Federal minimum wage or the applicable State minimum wage, whichever is greater; and

(B)(i) in the case of an individual receiving unemployment compensation under an unemployment law of a State or of the United States, results in a weekly payment which would be greater than the weekly amount the participant receives as such compensation; or

(ii) in the case of an individual receiving aid to families with dependent children under part A of title IV of the Social Security Act, results in a monthly payment which would be greater than the monthly amount the family of the participant receives as such aid.

(4) PAYMENTS OF AFDC AND UNEMPLOYMENT COMPENSATION.—Any State agency responsible for making a payment of benefits to a participant in a project under part A of title IV of the Social Security Act or under an unemployment compensation law of a State or

of the United States may transfer such payment to the governmental or nonprofit entity conducting such project and such payment shall be made by such entity to such participant in conjunction with any payment of compensation made under paragraphs (1), (2), or (3).

(5) TREATMENT OF COMPENSATION OR BENEFITS UNDER OTHER PROGRAMS.—

(A) HIGHER EDUCATION ACT OF 1965.—In determining any grant, loan, or other form of assistance for an individual under any program under the Higher Education Act of 1965, the Secretary of Education shall not take into consideration the compensation and benefits received by such individual under this section for participation in a project.

(B) RELATIONSHIP TO OTHER FEDERAL BENEFITS.—Notwithstanding any other provision of law, any compensation or benefits received by an individual under this section for participation in a community works progress project shall be excluded from any determination of income for the purposes of determining eligibility for benefits under section 402, title XVI, and title XIX of the Social Security Act, or any other Federal or federally assisted program which is based on need.

(6) SUPPORTIVE SERVICES.—Each participant in a project conducted under this Act shall be eligible to receive, out of grant funds awarded to the State agency administering such project, assistance to meet necessary costs of transportation, child care, vision testing, eyeglasses, uniforms and other work materials.

SEC. 7. ADDITIONAL PROGRAM REQUIREMENTS.

(a) NONDUPLICATION AND NONDISPLACEMENT.—

(1) NONDUPLICATION.—

(A) IN GENERAL.—Amounts from a grant provided under this Act shall be used only for a project that does not duplicate, and is in addition to, an activity otherwise available in the State or unit of general local government in which the project is carried out.

(B) NONPROFIT ENTITY.—Amounts from a grant provided to a State under this Act shall not be provided to a nonprofit entity to conduct activities that are the same or substantially equivalent to activities provided by a State or local government agency in which such entity resides, unless the requirements of paragraph (2) are met.

(2) NONDISPLACEMENT.—

(A) IN GENERAL.—A governmental or nonprofit entity shall not displace any employee or position, including partial displacement such as reduction in hours, wages, or employment benefits, as a result of the use by such entity of a participant in a project funded by a grant under this Act.

(B) LIMITATION ON SERVICES.—

(i) DUPLICATION OF SERVICES.—A participant in a project funded by a grant under this Act shall not perform any services or duties or engage in activities that would otherwise be performed by any employee as part of the assigned duties of such employee.

(ii) SUPPLANTATION OF HIRING.—A participant in a project funded by a grant under this Act shall not perform any services or duties or engage in activities that will supplant the hiring of other workers.

(iii) DUTIES FORMERLY PERFORMED BY ANOTHER EMPLOYEE.—A participant in a project funded by a grant under this Act shall not perform services or duties that have been performed by or were assigned to any presently employed worker, employee who recently resigned or was discharged, employee who is subject to a reduction in force, employee who is on leave (terminal, temporary,

vacation, emergency, or sick), or employee who is on strike or who is being locked out.

(b) FAILURE TO MEET REQUIREMENTS.—The Secretary may suspend or terminate payments under this Act for a project if the Secretary determines that the governmental or nonprofit entity conducting such project has materially failed to comply with this Act, the application submitted under this Act, or any other terms and conditions of a grant under this Act agreed to by the State agency administering the project and the Secretary.

(c) GRIEVANCE PROCEDURE.—

(1) IN GENERAL.—Each State conducting a community works progress program under this Act shall establish and maintain a procedure for the filing and adjudication of grievances from participants in any project conducted under such program, labor organizations, and other interested individuals concerning such program, including grievances regarding proposed placements of such participants in projects conducted under such program.

(2) DEADLINE FOR GRIEVANCES.—Except for a grievance that alleges fraud or criminal activity, a grievance under this paragraph shall be filed not later than 1 year after the date of the alleged occurrence of the event that is the subject of the grievance.

(3) DEADLINE FOR HEARING AND DECISION.—

(A) HEARING.—A hearing conducted under this paragraph on any grievance shall be conducted not later than 30 days after the filing of such grievance.

(B) DECISION.—A decision on any grievance shall be made not later than 60 days after the filing of such grievance.

(4) ARBITRATION.—

(A) IN GENERAL.—In the event of a decision on a grievance that is adverse to the party who filed such grievance, or 60 days after the filing of such grievance if no decision has been reached, such party shall have the right to demand an arbitration by a sole arbitrator. Such demand for an arbitration shall be made to the American Arbitration Association (hereafter referred to in this subsection as the "Association") within 30 days after a decision on a grievance that is adverse to the party who filed such grievance has been reached, or 90 days after the filing of such grievance if no decision has been reached. Upon receipt of such a demand for arbitration, the Association shall serve notice on the parties to the arbitration and, except as provided in subparagraph (B), conduct the arbitration according to the Commercial Arbitration Rules of the Association in effect at the time of the filing of the demand for arbitration.

(B) SPECIAL RULES FOR ARBITRATION PROCEEDING.—

(i) DEADLINE FOR PROCEEDING.—An arbitration hearing shall commence not later than 45 days after the appointment of the sole arbitrator.

(ii) DEADLINE FOR DECISION.—A decision concerning a grievance subject to an arbitration proceeding shall be made not later than 30 days after the date such arbitration hearing closes.

(iii) COST.—

(I) IN GENERAL.—Except as provided in subclause (II), the cost of an arbitration proceeding shall be divided evenly between the parties to the arbitration.

(II) EXCEPTION.—If a participant, labor organization, or other interested individual described in paragraph (1) prevails under an arbitration proceeding, the State, governmental entity, or nonprofit entity which is a party to such grievance shall pay the total cost of such proceeding and the attorney's

fees of such participant, labor organization, or individual, as the case may be.

(5) **PROPOSED PLACEMENT.**—If a grievance is filed regarding a proposed placement of a participant in a project conducted under this Act, such placement shall not be made unless it is consistent with the resolution of the grievance pursuant to this subsection.

(6) **REMEDIES.**—Remedies for a grievance filed under this subsection include—

(A) prohibition of the placement described in paragraph (5); and

(B) in the case of an individual who has been displaced from employment—

(i) reinstatement of the individual to the position held by such individual prior to displacement;

(ii) payment of lost wages and benefits of the individual;

(iii) reestablishment of other relevant terms, conditions, and privileges of employment of the individual; and

(iv) such equitable relief as is necessary to correct any violation of this Act or to make the individual whole.

(7) **ENFORCEMENT.**—Suits to enforce an arbitration award under this subsection may be brought in any district court of the United States having jurisdiction over the parties without regard to the amount in controversy and without regard to the citizenship of the parties.

(d) **TESTING AND EDUCATION REQUIREMENTS.**—

(1) **TESTING.**—Except as provided in paragraph (3), each participant in a project shall be tested for basic reading and writing competence prior to employment under such project.

(2) **EDUCATION REQUIREMENT.**—

(A) **FAILURE TO SATISFACTORILY COMPLETE TEST.**—Participants who fail to complete satisfactorily the basic competency test required in paragraph (1) shall be furnished counseling and instruction.

(B) **LIMITED-ENGLISH.**—Participants with limited-English speaking ability may be furnished such instruction as the governmental or nonprofit entity conducting the project deems appropriate.

(3) **PARTICIPANTS IN JOBS PROGRAM.**—Any individual who is a participant in the job opportunities and basic skills training program under part F of title IV of the Social Security Act shall not be required to be tested under paragraph (1) if such individual has been tested under such program so long as such test is adequate to ensure appropriate placement of the individual in a project.

(e) **COMPLETION OF PROJECTS.**—

(1) **IN GENERAL.**—A governmental or nonprofit entity conducting a project under this Act shall complete such project within the 2-year period beginning on a date determined appropriate by such entity, the State agency administering the project, and the Secretary.

(2) **MODIFICATION.**—The period referred to in paragraph (1) may be modified at the discretion of the Secretary upon application by the State in which a project is being conducted.

#### SEC. 8. EVALUATIONS AND REPORTS.

(a) **BY THE STATES.**—Each State conducting a community works progress program under this Act shall conduct ongoing evaluations of the effectiveness of such program (including the effectiveness of such program in meeting the goals and objectives described in the application approved by the Secretary) and, for each year in which such program is conducted, shall submit an annual report to the Secretary concerning the results of such evaluations at such time, and in such man-

ner, as the Secretary shall require. The report shall incorporate information from annual reports submitted to the State by governmental and nonprofit entities conducting projects under the program. The report shall include an analysis of the interaction, if any, of project participants with employees that are not participating in the project. Up to 3 percent of the amount granted to a State may be used to conduct the evaluations required under this subsection.

(b) **BY THE SECRETARY.**—The Secretary shall submit an annual report to the Congress concerning the effectiveness of the community works progress programs conducted under this Act. Such report shall analyze the reports received by the Secretary under subsection (a).

#### SEC. 9. FUNDING.

(a) **IN GENERAL.**—There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

(b) **LIMITATIONS ON COSTS.**—

(1) **ADMINISTRATIVE EXPENSES.**—Not more than 10 percent of the amount of each grant awarded to a State may be used for administrative expenses.

(2) **COMPENSATION AND SUPPORTIVE SERVICES.**—Not less than 70 percent of the amount of each grant awarded to a State may be used to provide compensation and supportive services to project participants.

(3) **WAIVER OF COST LIMITATIONS.**—The limitations under paragraphs (1) and (2) may be waived as determined appropriate by the Secretary.

#### SEC. 10. INTERDEPARTMENTAL TASK FORCE.

(a) **IN GENERAL.**—Not later than 60 days after the date of the enactment of this Act, the Secretary, in consultation with the Secretary of Health and Human Services, the Secretary of Housing and Urban Development, the Secretary of Education, and the Secretary of Agriculture shall establish a task force to identify any Federal funds that may be directed for use in the community works progress programs under this Act and to identify any modifications to existing policies or procedures that would facilitate the implementation of such programs.

(b) **MEMBERSHIP.**—The task force shall consist of at least 5 members and shall include 1 representative from each of the following agencies:

- (1) the Department of Labor;
- (2) the Department of Health and Human Services;
- (3) the Department of Housing and Urban Development;
- (4) the Department of Education; and
- (5) the Department of Agriculture.

(c) **REPORT.**—Not later than 180 days after the date of the enactment of this Act, the task force shall submit a report to the Secretary, the Secretary of Health and Human Services, the Secretary of Housing and Urban Development, the Secretary of Education, the Secretary of Agriculture, and the Congress that includes any findings and recommendations of the task force.

(d) **ACTION ON RECOMMENDATIONS.**—The Secretary, the Secretary of Health and Human Services, the Secretary of Housing and Urban Development, the Secretary of Education, and the Secretary of Agriculture shall take such actions as may be necessary to carry out the recommendations of the task force.

Mr. BOREN. I see my colleagues on the floor, Senator SIMON and Senator REID, who have played such an important part, along with Senator WOFFORD and others in the development of this

legislation; their constant encouragement, their leadership, their involvement in this issue over many years. Senator SIMON's involvement in this issue predates my own.

They deserve great credit for the leadership that they have shown on this legislation and in support of this concept. I am very proud to join with them and with my other colleagues in this effort. I hope that history will record that this year we did not miss the opportunity to begin that transformation of our current failed welfare system into something that will work, into something that will indeed help us to work our way out of the problems that we face in this country.

I yield the floor, Mr. President, so that my colleagues will have an opportunity to add their comments about this legislation which we introduce.

Mr. SIMON. Mr. President, I am pleased to join my distinguished colleague from Oklahoma, Senator BOREN, as well as Senator REID, Senator WOFFORD, and others in introducing this legislation.

I do not serve on the Finance Committee, as my distinguished colleague from Oklahoma does, but I remember reading the other day when the now Secretary of HHS, Donna Shalala appeared and Senator MOYNIHAN said: "You only had one or two sentences in your statement about welfare reform." Senator MOYNIHAN has been a leader in this. I remember when we passed his bill and he said on the floor: "This is a step in the right direction, but we really need a jobs program." That is what this is.

I would love to have a national jobs program, but I recognize we simply do not have the finances, or at least we think we do not have the finances, to do this immediately nationally.

So what we may need to do with this proposal is set up a demonstration program. That will be a step forward and the idea of the demonstration program would be the creation of jobs. We have a chance to demonstrate that we can move away from this massive waste of human resources. And that is what we have in our country today.

One of the things I like about it is that it is not simply welfare reform. What we do is we say, if you are out of work 5 weeks or longer, you can be helped. We do not pauperize people. That is one of the things that is wrong with welfare today. We force people to become paupers before we help them. We face in this country a choice of paying people for doing something or paying people for doing nothing. And it is not hard for me to make a decision on which direction we ought to go.

I think, Senator BOREN thinks, Senator REID thinks, we ought to pay people for doing something rather than paying people for doing nothing. Obviously, that is not true for those who are disabled or people who may have some special problems.

And Senator BOREN just mentioned the pride that a gentleman had in seeing a wall that he built when he was with the WPA. The great division in our society today is not between black and white, not between Hispanic and Anglo, it is between people who have hope and people who have given up. We have to give people a spark of hope. Two things will give people a spark of hope: Either that they or their children are moving ahead educationally or that they have a job, and can feel pride in themselves.

Frankly, people who want to work, who are sitting at home getting a check do not have that opportunity.

I wrote a book some years ago entitled "Let Us Put America Back to Work." I still believe we ought to be doing that, and I think every day when we pick up the newspaper and read about 50,000 people being laid off by Sears, and people being laid off by IBM, and Pratt & Whitney, and all the other major corporations, we have to recognize we have a problem in our country, an increasing problem. And we ought to do something constructive about it. We have all kinds of needs and we have people who are unemployed. Why do we not put the two of those together?

I see Senator REID is on the floor. He happens to be a reader. He is one of the most prolific readers in the U.S. Senate.

I happen to be a reader. Every once in a while you are asked, what book influenced you? When I was about 12 years old, I read a book by Richard Wright called, "Black Boy." It just hit me at the right time. It was the experiences that Richard Wright had growing up as an African-American in this country. I did not know until many years later, Richard Wright learned how to be a writer as part of a WPA project.

How I was enriched because of the WPA. And I have seen lodges at State parks and other things that have enriched people, as well as the hundreds of thousands of people that Senator BOREN referred to, who learned how to read and write.

We have a problem in productivity growth in our country. We are going to have to do something about it. And the best way, the most effective, swiftest way, it seems to me, is to make people productive who are not productive right now. It does not take an economic giant to figure that out.

We have been reading about the trade deficit again. A trade deficit has to be paid just as much as any other debt has to be paid. And we will pay for it either through a lowered standard-of-living or through increased productivity. Clearly, the better answer is increased productivity.

Under this proposal, people would work for 4 days a week just like the old WPA—they would work for 4 days a week so the fifth day they can be out

trying to find a job in the private sector—4 days a week at the minimum wage, you make \$535 a month. That is not a lot of money. Do you know what the average family on welfare in Illinois gets? It is \$367 a month. And Illinois pays better than most States.

I do not know what it is for Oklahoma or what it is for Nevada. But I know that \$535 a month is more than the average family on welfare gets in all but three or four States. And that does not include Nevada or Oklahoma.

We have a crime problem in our country. We have, believe it or not, more people in our prisons than any other country on the face of the Earth. We have a higher percentage of our people in prison than any other modern country.

I am not suggesting this bill is the solution to the crime problem because, obviously, it is more complicated than that. But you show me an area with high unemployment and I will show you an area with high drug use. I will show you an area with a high crime rate. That is the reality.

You do not move dramatically to reduce crime by giving people jobs, but I really believe long term you do.

I think we ought to be trying this. I think we ought to be saying let us pick a couple of Indian reservations, a couple of rural counties, maybe one or two portions of urban areas. Let us guarantee a job opportunity to people. Let us see what happens to them, to the crime rate, to welfare costs, to family life.

One of the things that is interesting about this is that it encourages families to stay together while our present welfare policies discourage families from staying together. That is one of the reasons for all the single-parent families—not the sole reason.

Then let us screen people as they come in. If they come in to get a job and they cannot read and write, let us get them into a program. If they have no marketable skill, let us get hold of that community college or whoever can give them that marketable skill. Let us use the resources, the human resources, of our country to turn it around.

What if, today, we had 10,000 people we were paying a minimum wage who were teaching other people how to read and write? It would pay off so quickly it would make your head spin.

What if, today, let us just say we had 1,000 people who were planting 100 trees a day. Very shortly, we could improve our air quality, reduce flooding, improve the quality of life. There are so many examples.

Anyway, I believe this bill is a step in the right direction. I am pleased to be a cosponsor of this legislation and I hope we move ahead on it.

Mr. President, I yield the floor to my distinguished colleague from Nevada, who has taken an interest in this. From the day I first introduced the

first bill on this topic, Senator REID has been a cosponsor. He has recognized we have to do better than just pay people for doing nothing.

The PRESIDING OFFICER. The Chair recognizes the Senator from Nevada [Mr. REID].

Mr. REID. Mr. President, before my friend from Illinois leaves, I also want to remind him of the work that we did on the Fair Employment Act which encompassed a lot of what we are talking about here and for a lot of reasons we were unable to move that.

I am very excited about the fact that we are going to be able to move this legislation. Pilot projects were in the bill that was vetoed by President Bush last year. And we are going to be a year behind, but I feel confident we can do as well as we did last year, which is a significant step forward in the legislation and, hopefully, the President will sign it. I am confident that he will.

So I want to publicly commend and applaud my friend from Illinois and of course the original sponsor of this bill, Senator BOREN. I am happy to be working with them. This legislation is significant, it is important, and I think can do a lot, as has been indicated by Senator BOREN and Senator SIMON, to right some of the wrongs that we now find in our country.

The jobless rate this country is seeing is not improving. The latest figures from the Bureau of Labor Statistics show almost 10 million workers are without jobs.

In Nevada we are doing a little bit better than the national average—not a lot but a little bit better, 1 percent or so. But that means in the small, sparsely populated State of Nevada, that we have almost 50,000 people without work. Fifty thousand men and women in the State of Nevada without gainful employment. And this does not take into consideration people who are off the unemployment rolls because they have been without jobs so long. The figures that come out dealing with unemployment are really not accurate figures.

Suffice it to say all over this country and in the State of Nevada, a lot of people are without work. What are we getting for these people that are out of work, these people who are drawing welfare benefits and unemployment compensation? The answer, really, is: Nothing. Sad but true. Are the unemployed being retrained? No. Are we using their talents in productive ways? No.

The current system in America is a demeaning system. It causes people to lose their value of self-worth. People are forced, in effect, to take handouts and no one wants a handout. But people are forced to take a handout.

People want to live productive lives. Some people have never had the opportunity to have a job. Under this legislation, in exchange for Government as-

sistance you would be required to work.

During the last 8 years we have spent in welfare almost \$1 trillion—\$932.5 billion. This probably is a conservative figure because it does not take into account present value or adding in State and local government handouts.

I repeat. What do we have to show for it? We have nothing. Let us take, instead of the last 8-year period, let us take an 8-year period between 1935 and 1943 when we had a welfare program called the Works Progress Administration.

We spent, then, about \$11 billion. And what do we have to show for that \$11 billion that was spent? Senator BOREN went over most of what we have to show for it. But it does not hurt to repeat what we got for that money—650,000 miles of roads; about 125,000 bridges; 39,000 schools, built or improved. And, by the way, one of those schools that was built was in Las Vegas, NV. We referred to it as the Old Fifth Street Grammar School—a beautiful building. Some of the first Spanish architecture in the Las Vegas area. That complex is still there. It is no longer a school. County government is operated out of that building. But it is still a fine looking facility. It is one of the 39,000 schools built during this 8-year period. We got 8,000 parks, 18,000 playgrounds or athletic fields, 1,000 libraries, 600 airports.

Participants also constructed power lines in rural areas, planted millions of trees, exterminated rats, and in Nevada, tried to fight a grasshopper plague, organized nursery schools.

This program gave work to 8.5 million Americans.

One of the things that I did, and still do for townhall meetings that I hold in Nevada, is I had my staff go back and look in the archives at various projects that were built in Nevada by the Works Progress Administration. And we have pictures, modern-day pictures, of those facilities and the old pictures of those facilities. I put them around the room. They are blown up.

It is magnificent, the things that were done in Nevada by these welfare recipients. And the reason I remember the grasshopper plague fight is because we have some great pictures of these roads covered with grasshoppers and these men in uniform trying to get them off the roads.

The WPA really did a lot. Woody Guthrie—"This Land Is My Land," "Roll On Columbia Roll On"—wrote some of his songs while he was drawing welfare. In exchange for getting Government assistance, he wrote music, and some music he wrote. Studs Terkel, Saul Bellow, of course, who won a Nobel prize in literature, Jackson Pollack, many writers, musicians, and artists were put to work under the WPA because you see, Mr. President, people who write and play horns and do

things like that, when they are out of work, they are out of work just like anybody else. Why should they not put their talents to the use of us all?

Many talented writers contributed to something that is now famous. It is called the American Guide Series which, in effect, told us a little bit about America. It covered every State, most regions in our States and almost all cities. Alred Kazin said of this project that these writers uncovered an America that nothing in the academic histories has ever prepared one for.

The State of Nevada did benefit. I talked about some of the benefits, but out of those 650,000 miles of roads, we got 2,000 miles of those roads. Out of the 124,000 bridges, we got 154 of them in Nevada. We got 60 schools that were built or reconstructed. We got 39,000 feet of runway built or improved. We got a lot done in Nevada by these welfare recipients.

Today, in Nevada, and all over this country, we still cross bridges these workers made, attend their schools, ride their roads, use their public buildings. They either built or drew upon painted murals. Even \$250 million was spent by the WPA refurbishing Army and Navy facilities, and this proved extremely important in the short-term because of World War II.

As important as anything the WPA built, this agency boosted the morale of Americans by giving them a chance to avoid the humiliation of being on, as they used to refer to it, relief. Samuel Cohn, who was a WPA economic statistician said, "People talk about leaf raking and say it was not very economic. It served a purpose. It made people feel more useful at a time when that was important."

While we are talking about leaf raking, we do not have to go back 50 years, Mr. President, to find out that these kind of projects work. Look at the State of Israel. They did not call it the WPA, but in the early days of the State of Israel and even now, they had many projects. For example, the tree planting in Israel is one of the phenomenons of our modern world. Areas that were depleted of all vegetation are now thick forests in the State of Israel. And, in fact, one of the terroristic activities of those who were opposed to the State of Israel a few years ago, was to burn down the forests.

So as my friend, Senator SIMON, said, planting a tree here, planting a tree there really adds up to something in the long-term that is magnificent.

I mentioned Woody Guthrie. I went to the Library of Congress because Woody Guthrie has always fascinated me, and I asked to see some of the correspondence that was there between Woody Guthrie and a man at the library who worked with him. Some of these letters were written while he was drawing welfare, on relief; of course, getting paid for it. That is the dif-

ference in that system and our system. He wrote the following in one of his letters to Washington, DC:

I think real folk stuff scares most of the boys around Washington. A folk song is what's wrong and how to fix it, or it could be who's hungry and where their mouth is, or who's out of work and where the job is, or who's broke and where the money is, or who's carrying a gun and where the peace is. That's folklore and folks made it up because they saw that the politicians couldn't find nothing to fix or nobody to feed or give a job of work. I can sing all day and all night, 60 days and 60 nights, but of course I ain't got enough wind to be in office.

That is one paragraph from a Woody Guthrie letter that we would not have had probably but for this Government program.

Everyone within my voice should also understand that these are not make-work projects. Last year, I received two volumes called "Ready to Go, A Survey of USA Public Works Projects to Fight the Recession Now." That was the name of it. This publication was put out by the United States Conference of Mayors. The publication contains responses from 506 cities listing 7,252 projects that are ready to go now and could have created over 400,000 jobs; to be specific, 418,415 jobs in 1992 alone.

The city of Henderson, where I graduated high school, a suburb of Las Vegas, alone in this publication had 19 projects ready to go, including the building of parks, extension of a highway, flood control, the building of water treatment plants, the rehab of the old youth center where I used to go for dances when I was a teenager. These projects in the small suburb of Henderson, NV, would have created 1,182 jobs last year. This one city could employ 13 percent of those who were receiving extended benefits in Nevada.

Mr. President, there is lots of work to do; there are lots of people to do it. So let us put the two together and pass this legislation.

Mr. DASCHLE. Mr. President, the American welfare system is a failure for too many people. It fails both the taxpayers and welfare recipients. And, most importantly, it fails the children who are born into the cycle of poverty.

Earlier this afternoon, the distinguished Senator from Oklahoma, several of my distinguished colleagues, and I introduced legislation to reform that system and put both our tax dollars and the unemployed to work. I applaud Senator BOREN for spearheading this timely measure to revamp a welfare system that too often does more to perpetuate reliance on public assistance than to provide the necessary means and incentives for moving those in need of assistance back into the national work force.

Our country is faced with a variety of serious economic problems; problems that have festered too long without appropriate action. Considerable atten-

tion has been focused recently on the economic burden facing the middle class. That burden is real. But often ignored in this debate are those who fall below the poverty line and are struggling daily to make ends meet and rejoin the economic mainstream. The legislation we are introducing today borrows from a successful concept from our past and molds it to effectively address a number of today's social challenges.

We have been hearing calls for welfare reform for a long time. Debate on this issue is often controversial. My motive for pushing for reform is not to deny benefits to those within our society who truly need our help. We have a responsibility to help. But we should help in a way that breaks the cycle of poverty and welfare dependence, and trains people for meaningful work opportunities. We must help those who need public assistance to make ends meet today, and develop the skills of America's youth and unemployed so they may secure productive jobs tomorrow. The establishment of the Community Works Progress Act [CWPA] programs and the Civilian Community Corps [CCC] Demonstration Project Reauthorization are major steps in that direction.

We spend billions of dollars on public assistance. These payments certainly have helped to provide food, clothing, and shelter for millions of welfare recipients, and this is a worthy goal. But shouldn't we expect these dollars to work harder for both the recipients and the taxpayer? Through the CWPA, we will direct those funds toward local community projects that build both the individual welfare recipient's confidence in himself or herself, through gainful employment, and the institutions that support our communities.

In the 8 years that the original WPA was in existence, 8 million jobs were created, and thousands of public works projects were completed by people who otherwise would have been on public assistance. The WPA of 50 years ago produced bridges, highways, schools, parks, and hospitals that are still in use today. It also offered participants the opportunity to learn and to master a marketable trade that they were able to use to secure jobs in the private sector.

The testimonials of citizens who worked on WPA projects in the 1930's tell the story. The sense of pride and accomplishment expressed 50 years later by those given the chance to engage in productive work rather than simply collect a public assistance check is a rare achievement. They have often cited the WPA experience as being instrumental to their learning of a skill that ultimately provided the means to secure the post-WPA jobs they maintained until their retirement. They ask, almost universally, why we in Congress have not resur-

rected the WPA. With this legislation, we hope to do just that.

In addition, the Civilian Community Corps Demonstration program, which was appropriated funds for fiscal year 1993, will build on the CWPA by establishing residential community service programs for America's young men and women. This demonstration project will enhance the skills of our youth and instill in them a sense of community pride and responsibility. It will also allow retired and former military servicepersons to apply their skills to guidance and training of our youth. With reauthorization of this demonstration program, we hope to assess the effectiveness of the CCC in generating successful community service projects.

The Community Works Progress Act and the Civilian Conservation Corps Reauthorization will help address the needs of our communities by providing a source of talent, skill, and labor to work on meaningful community projects or programs, and it will give people an opportunity to work themselves out of situations that have caused them to depend on public assistance. They are good investments in our communities, our infrastructure, and our people. President Clinton has indicated his support for welfare reform that creates opportunity and instills a sense of responsibility, and I hope our colleagues will join in this effort and give these bills their full attention so that we may embark down that road.

Mr. ROBB. Mr. President, I'm pleased to be an original cosponsor of legislation introduced today by my distinguished colleague from Oklahoma, Senator BOREN, to reauthorize the Civilian Community Corps Demonstration Program. I supported legislation Senator BOREN introduced last session to authorize two residential CCC initiatives, and I was pleased that each of them received a \$50 million authorization and a \$20 million appropriation for FY93.

The residential CCC program has two components: a 9- to 12-month National Service Program for young people between the ages of 17 and 25, and a Summer National Service Program for youth between the ages of 14 and 18. At least half of the participants in both programs must come from economically disadvantaged backgrounds.

Young corpsmen and women live on military bases that are closed or operating under capacity. Divided into teams and assigned to camps to instill discipline and comradarie, they receive between 3 and 6 weeks of service training. Corpsmen in the year-around program receive more advanced training specifically geared toward their project assignments. In addition to a small stipend for living expenses, corpsmen in the summer program receive \$1,000 for school tuition or \$500 in cash and those in the year-around program receive \$5,000 in tuition or \$2,500 in cash.

In return, countless worthwhile community projects in such important areas as health care, education, and the environment receive thousands of hours of service.

The CCC program is particularly relevant today, as my own State of Virginia and many other States hard-hit by defense downsizing wrestle with personnel cuts and base closings. The CCC program relies on retired and separated military personnel for much of its staffing needs, and the community service provided through the program is particularly welcome in areas where defense downsizing has already begun to wreak—and will continue to wreak—economic and social havoc.

As a former marine and a member of the Marine Corps Reserve for more than 30 years, I've been a strong supporter of national service for a very long time. I believe it instills civic responsibility in young people and allows them to develop a real and genuine stake in our country. In the CCC program particularly, we have an added benefit; we also help young people develop discipline, team spirit, and a work ethic that can constructively and positively impact their adult lives.

My hope for the young people who participate in the CCC Program is that they will finish the program not only with enough money to further their education, but also with a greater sense of self worth, a feeling of commitment toward their communities, and a belief that hard work and discipline can open many doors.

Mr. President, again, I'm pleased to be a cosponsor of this important legislation.

By Mr. DECONCINI:

S. 234. A bill to prohibit the use of U.S. Government aircraft for political or personal travel, limit certain benefits for senior Government officers, and for other purposes; to the Committee on Governmental Affairs.

SENIOR GOVERNMENT OFFICER BENEFIT LIMITATION ACT OF 1993

● Mr. DECONCINI. Mr. President, never before in my service in the Senate have I felt the time was so ripe for reform—the American public has spoken—it is time for change. They have chosen a new President and a new Congress who campaigned on an agenda for change, and they expect change. One area which is ripe for change is the so-called Government perks. After months and months of reports of abuses and extravagant spending in both the legislative and executive branches of Government, the people used the ballot to express their dismay at the system. People are rightfully outraged, and they are having trouble accepting that their tax dollars are providing luxury cars, drivers, and subsidized health clubs for employees of the Federal Government. And they find it is especially offensive to see expensive-to-operate military

and agency-owned or leased aircraft used for personal and political purposes by senior Government officials.

Mr. President, newspapers across the country spent the better part of last year detailing reports on the travel practices of several high-level Government officials. The reports demonstrated the outrageous and exorbitant costs incurred at public expense for political and personal travel by senior Government officials. It is unconscionable to expect the American people to foot the bill for ski vacations for Government officials and their families or for trips to the family dentist.

The accounts of Governor Sununu's excursions while chief of staff to President Bush are a prime example. From April 1989 to April 1991, according to the General Accounting Office, Governor Sununu took 66 trips on military aircraft—35 of which were either strictly personal or political in nature, or mixed with official business. The cost of the 66 trips is estimated at over \$774,330. Under the past administration's policy, Governor Sununu was obliged to reimburse the Government only \$61,585 of this amount, the equivalent of a commercial coach fare plus a dollar for each trip, leaving over half a million dollars on the taxpayer's tab. According to an April 21, 1991, Washington Post article, one of the Governor's trips—a ski trip to Vail, CO, on an Air Force jet with three other passengers—cost the Government more than \$30,000 based on standard Air Force charges. The same article went on to say that a commercial flight to the same destination for a single passenger would cost 90 percent less.

Mr. Skinner's travel record while Secretary of the Department of Transportation further confirms the fact that use of Government aircraft is out of control. According to a segment of "60 Minutes," Secretary Skinner made 150 trips at a cost of over \$1 million during his 3 years heading the Department of Transportation, often mixing official business with personal and political occasions. Among the vital business conducted by Mr. Skinner on these trips at taxpayer expense were several golf trips as well as numerous political speeches in his hometown of Chicago. I am not so sure that the American people would agree with Mr. Skinner's explanation that it was official and necessary for him to receive pilot training in a FAA Cessna simulator at a cost of \$6,175, or to upgrade his skills in a Citation jet taxpayer-paid at \$1,111 an hour for 250 hours.

During the past administration, Cabinet members billed the taxpayer for

political junkets added to official business trips—a practice endorsed by the Bush White House. According to a May 5, 1991, Los Angeles Times article, during the 1990 elections, "top Cabinet officers were strongly encouraged by Bush's political advisors to arrange political appearances on behalf of Republican candidates whenever they visited a city at government expense." The White House went so far as to provide a list of congressional districts that the officials were to visit to help Republican candidates. The Times reported that the Republican Party reimbursed the Government for a portion of the travel expenses, but this usually ended up being only a tiny fraction of the overall cost. The article cites Interior Secretary Manuel Lujan's attendance at a political event while in Natchez, MS, for the dedication of an historical site. The total cost of his airfare was \$445, with the Republican National Committee picking up a mere \$47, or one-tenth the charge.

More recent reports in an unpublished Interior Department Inspector General's audit concluded that senior officials in the Department of Interior improperly charged the Government for more than \$115,000 in unauthorized and questionable travel, much of it personal and political in nature. The audit, which reviewed more than 1,150 vouchers covering \$663,000 worth of travel, found that the Department paid \$61,000 in travel unrelated to official business either because it lacked reimbursement for personal travel costs or proper documentation.

The American public is fed up with business as usual. That is one reason I am reintroducing today legislation which will limit travel on Government aircraft and restrict aircraft use by senior Government officials, including Members of Congress. This will be my fifth bill in a series of bills designed to dramatically over-haul the current system in Washington. This is not a partisan issue. It is an issue about which Americans from every political party have expressed concerns.

With respect to use of Government aircraft, the legislation I am sponsoring today will limit use of these aircraft by Government officials, including the Congress, to official business only. The only exception is for use by the President and his immediate family. Under my legislation, the Vice President and his immediate family would be permitted to use Government aircraft for personal and political travel if the full cost for this travel, including the cost of operation and maintenance

of the aircraft, is fully reimbursed. Civilian personnel and their dependents in remote locations would continue to be exempted as is currently practiced for space available travel. The bill would also require that political travel on Government aircraft during a Presidential election campaign be reimbursed at a rate equivalent to the full charter cost. Currently, political travel for a sitting President and Vice President is reimbursed at the first class rate.

Mr. President, I now want to turn to the other perks. There has been a virtual laundry list of perks making the headlines—chauffeur-driven limousines and free prescriptions among others. The full breadth of the perks and their costs are difficult to calculate. Even the Office of Management and Budget, whose job it is to review the budgets and activities of all executive branch agencies, has had a difficult time trying to identify the perks, calculate their costs, and explain the policies with respect to their use.

I have several charts here which illustrate the costs of some of these perks. The source for the bulk of this information is OMB.

Dining rooms: As you can see from chart 1, which was provided by OMB, there are 119 executive dining rooms costing the taxpayer \$4 million annually. These dining rooms are only available to high level members of the Departments and, as you will see on a later chart, serve very posh meals at extremely low prices. This bill proposes that no appropriated funds be used to support these facilities nor to subsidize food costs.

Chart No. 2 is a sample taken from the Secretary of the Treasury's executive dining room menu from April 17 of last year. As you can see, the Secretary definitely got his money's worth and then some. This particular dining room is available to those from the Deputy Secretary level up and those political appointees deemed worthy. However, bureau heads are not allowed access. I have been told that these prices fully cover the cost to purchase the food. I personally have never had the pleasure of paying only \$4.75 for lobster tail much less soup, a salad bar, vegetables and dessert thrown in. Now that is a deal and I am confident the American people would like to get in on this. However, I do not believe and I am sure the public does not believe that \$4.75 is a realistic price for lobster tail anywhere.

CHART 1.—EXECUTIVE DINING FACILITIES, FISCAL YEAR 1992

Department-Agency	Executive mess/dining facility	Staff size (FTE's)	Salary costs	Space/utilities rent costs	Miscellaneous costs	Total annual cost to Government
Agriculture	No	NA	NA	0	0	0
Commerce	Yes	2	\$58,505	\$37,523	\$1,000	\$97,028
DOD/OSD	Yes	23	460,288	42,489	0	502,777
DOD/ICS	Yes	11	217,606	41,046	0	258,652
DOD/Army	Yes	18	343,536	59,635	0	403,171

CHART 1.—EXECUTIVE DINING FACILITIES, FISCAL YEAR 1992—Continued

Department-Agency	Executive mess/dining facility	Staff size (FTE's)	Salary costs	Space/utilities rent costs	Miscellaneous costs	Total annual cost to Government
DOD/Navy	Yes	26	937,000	77,328	0	1,014,328
DOD/Air Force	Yes	17	542,728	49,034	0	591,762
Education	No <sup>1</sup>	1	32,423	0	450	32,873
Energy	No <sup>1</sup>	1	34,835	5,425	0	40,260
HHS	Yes	2	57,500	45,298	0	102,798
HUD	No	NA	0	0	0	0
Interior	Yes	5	13,508	40,416	1,584	55,508
Justice	Yes	1	36,399	20,524	1,000	57,923
Labor	Yes	2	59,990	39,445	540	99,975
State	Yes	(?)	0	61,054	0	61,054
DOT—OST	Yes	5	138,000	58,605	15,000	211,605
DOT—Coast Guard	Yes	2	65,000	38,756	0	103,756
Treasury	Yes	5	122,548	0	3,500	126,048
Veterans <sup>3</sup>	Yes	(?)	0	50,464	2,970	53,434
EPA	No	NA	0	0	0	0
GSA	No	NA	0	0	0	0
NASA	Yes	3	77,158	46,204	5,600	128,962
<b>Total</b>		<b>119.5</b>	<b>3,197,024</b>	<b>713,246</b>	<b>31,644</b>	<b>3,941,914</b>

<sup>1</sup> The Departments of Education and Energy have a kitchen and steward on staff who will prepare and serve meals to Secretary, Deputy Secretary and senior staff as required, but do not have a separate dining facility.  
<sup>2</sup> Contract.  
<sup>3</sup> The VA Executive Dining Room (EDR) has been operating for less than one year in VA's temporary central office building. It is financed by non-appropriated funds (a self-financing revolving fund that supports cafeterias and hospital gift shops throughout the VA system). The Secretary has decided to replace the EDR with a take-out/cafe/teria open to all VA employees.  
 Note.—NA—not applicable.  
 Source: Department and agency staff. OMB did not have sufficient time to verify these data.

CHART 2.—SECRETARY OF THE TREASURY'S EXECUTIVE DINING ROOM MENU, APRIL 17, 1992

Breakfast: Fresh fruit, English muffins, Danish rolls, toast, various fruit juices, cereals, yogurt, coffee, tea, milk. Price: \$2.00.  
 Lunch: Clam chowder, broiled lobster tail, butter/lemon dip, oven roasted red bliss potatoes, buttered fresh asparagus, complete salad bar, poached pear with chocolate and raspberry sauce. Price: \$4.75.  
 This year the taxpayer will eat \$126,048 of the Secretary's tab.  
 Source: The Department of Treasury.

Golf courses: Through OMB and Golf Digest magazine, we have identified 280 golf courses owned or operated by DOD and the Department of Veterans Affairs; 220 of these are 18-hole equivalents with the remainder either located overseas, in remote areas, or not qualifying as 18-hole courses. Not only do these courses not make money, they actually cost the Government over \$6 million a year to maintain. By opening these courses to the public and charging fair fees, these courses could bring in a substantial amount of money to the Government—\$110 million according to a formula devised by Golf Digest magazine. This bill would require that no appropriated funds could be expended to equip, operate, or maintain any golf course owned or operated by a government agency with the exception of golf courses used by patients or residents of Veterans' Administration hospitals, U.S. Soldiers and Airmen's Homes, or the National Institute of Health. Further, all of the Government golf courses would be required to be operated by a concessionaire contract and open to the public. Under the legislation I am introducing today up to 10 percent of the gross revenues generated from these golf courses could be retained by the base from which those funds are derived. These funds could then be used for morale, welfare and recreation purposes on each base. The bill also authorizes the Secretary of Defense to subsidize fees for active and retired military personnel and give priority to them for the use of the golf

courses. The provision of this section will take effect no later than June 1, 1993.

In addition, chart No. 3 details the breakdown of numbers to demonstrate how these courses can easily send money back to the Treasury. The formula is based on information provided by Golf Digest magazine, it includes 18-hole green fees of \$15, car rental of \$10, a fee of \$75,000 for professional management of the course, and \$350,000 in annual course maintenance costs. As the chart illustrates, Golf Digest estimates that if a course generates 35,000 rounds per year, it would have a total net income of \$250,000. In the Washington area, the two courses at Andrews Air Force Base easily exceed that number with a total of 90,000 rounds per year. So if we take the 220 courses and multiply it by \$500,000—for 45,000 rounds of golf—you generate \$110,000 million net income.

CHART 3.—DOD/VA GOLF COURSES  
 POTENTIAL REVENUE PRODUCERS—220-18 HOLE EQUIVALENTS BASED ON FOLLOWING RATES  
 Green Fees, 18-holes Cart Rentals, Management, \$75,000  
 If a course generated 35,000 rounds/net total income: \$250,000.  
 If a course generated 55,000 rounds/net total income: \$750,000.  
 Actual Examples:  
 Andrews AFB, MD, 90,000 rounds (36 holes); Ft. Rucker, AL, 65,000 rounds (18 holes); Ft. Belvoir, VA, 90,000 rounds (27 holes).  
 Total DOD/VA 18-hole equivalents in the United States: 220 times 45,000 rounds/net income: \$500,000 equal possible revenue to the United States Treasury of: \$100 million.

Medical health units.—Public Health Service units provide a wide variety of services at no charge to executive branch employees. Taxpayers subsidize the operation of these units to the tune of \$48 million allowing those with access free EDG's, blood work-ups, allergy tests, and other costly services. This bill would require that no funds appropriated to an executive or legislative agency be used for the provision of medical services provided by the Public

Health Service, the employing agency, or any other Federal agency or medical service provider. Those medical services provided bylaw to Members of Congress, the President, Cabinet members, military personnel and retirees would not be affected by this legislation. In addition, medical services in cases of emergency, of those deemed by an agency head to be in the best interest of the agency such as occupational health and safety programs are also exempt.

Health and fitness facilities.—Executive branch agencies pay \$18.7 million to own or operate 351 facilities and 6,119 private health club memberships for Federal employees. These facilities are generally open to all employees. Under this bill, no appropriated funds could be spent for these facilities or private memberships unless physical fitness is a requirement of the job or unless the benefits are specifically provided through collective bargaining agreements.

Political appointments.—Presently, there are 2,503 schedule C and non-career SES positions in the Federal Government costing approximately \$214,000,000. This number represents an increase of 10 percent over 1980 levels. The bill I am introducing proposes, beginning in fiscal year 1994, to decrease these positions by 5 percent a year over the next 3 years for a total decrease of 15 percent by the end of fiscal year 1996.

Vehicles and drivers.—OMB estimates that there are 288 vehicles and 190 drivers used for executive transportation purposes at a cost of \$5.7 million. Right now, these cars are used indiscriminately for all types of purposes, but under this bill use would be limited to official business for the Assistant Secretary level and above, the heads of executive agencies and their second highest ranking official, officials commissioned by the President and Members of Congress in leadership positions. This legislation would ex-

empt vehicles used for emergency and law enforcement purposes and drivers employed for multipassenger vehicles, such as vans or buses which are not luxury vehicles.

Chart No. 4 represents the amounts of cars and drivers and the costs of both incurred for executive transportation. The total bill to taxpayers is \$5.7 million for an estimated 288 cars and 190 drivers. Taxpayers do not just

pay for cars, they foot the bill for luxury vehicles including Ford Crown Victorias, Cadillac Sevilles, Lincoln Towncars and Chrysler Fifth Avenues to ferry around any Federal employee for all types of uses.

CHART 4.—TAXPAYER-SUPPORTED EXECUTIVE LIMO/CHAUFFEUR SERVICE

[Total departmental cost of executive transportation: \$5.7 million]

Department	No. of cars	Annual cost of cars	No. of drivers	Annual cost of drivers	Total
Justice	29	\$441,799	11	\$261,328	\$703,127
Transportation	22	85,080	7	185,328	270,408
Veterans Affairs	7	3,808	10	262,095	294,903
Commerce	18	73,950	0	0	73,950
Agriculture	10	43,283	11	255,064	298,347
Education	14	58,400	11	274,343	332,743
Energy	19	133,818	16	380,208	514,026
Health and Human Services	9	42,250	8	201,508	243,758
Interior	11	26,400	2	58,352	84,752
Labor	6	27,108	5	134,374	161,482
State	18	177,027	14	331,000	508,027
Treasury	20	72,864	20	446,037	518,901
Defense	87	641,745	30	731,715	1,400,000
<b>Total</b>	<b>270</b>	<b>2,000,000</b>	<b>145</b>	<b>3,600,000</b>	<b>5,700,000</b>

Source: O.M.B.

**Administrative leave:** Policies regarding the use of administrative leave are at the discretion of the individual department heads but, based on GAO estimates, if between 1 and 10 percent of the Federal work force used 2 hours of leave a week. As you can see, with 10 percent use—the loss in Government wages is around \$380 million annually.

This legislation would also prohibit the use of appropriated funds for the purchase or distribution of souvenirs by Federal agencies. Exceptions would be those tokens or mementoes authorized by law or a resolution of Congress.

Mr. President, I was shocked by the cost of some of these executive and legislative branch perks. As I said earlier, the American public is appalled at how out of touch Government has become—special privileges are out of control. When Government tells the American public that we all must sacrifice for the national good, we in Government better make 100 percent certain that we start in our own backyard. It is my hope that the Congress can work with the new executive branch officials to make appropriate changes this year. To that end let me commend our new Veteran Affairs Secretary Jesse Brown for abolishing, as he put it, "A rank based dining room."

I ask unanimous consent that the text of the bill be entered into the RECORD at this time.

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

S. 234

*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 "Senior Government Officer Benefit Limitation Act of 1993".

**SEC. 2. PROHIBITION OF PERSONAL OR POLITICAL USE OF UNITED STATES GOVERNMENT AIRCRAFT.**

(a) IN GENERAL.—(1) Notwithstanding any other provision of law, no aircraft which is owned or leased by the United States Gov-

ernment (including military aircraft) may be used for—

(A) any personal, political, or authorized special use travel; or

(B) any official travel which is mixed with personal or political activities.

(2) For purposes of this section the term "authorized special use" means use of a Government aircraft for the travel of an executive agency officer or employee, where the use of the Government aircraft is required because of bona fide communications or security needs of the agency or exceptional scheduling requirements.

(b) EXCEPTIONS.—Subsection (a) shall not apply to use of aircraft by—

(1) the President or his immediate family (subject to reimbursement as provided under law);

(2) the Vice President or his immediate family if the full costs, including the costs of operating and maintaining such aircraft, for such travel are reimbursed to the United States Government; or

(3) civilian personnel and their dependents in remote locations for space available travel as authorized under section 4744 of title 10, United States Code.

(c) CERTAIN POLITICAL TRAVEL.—Notwithstanding any other provision of law or regulation, the reimbursement for political travel on Government aircraft during a Presidential election campaign shall be the commercial equivalent rate for applicable charter aircraft for such travel.

(d) REPORTS ON USE.—(1) Each executive agency which maintains or uses Government owned or leased aircraft (including military aircraft) shall—

(A) require each traveler, except immediate family members and the spouse of such a traveler who is a Federal officer or employee, to certify that any travel on such aircraft is necessary for official purposes; and

(B) beginning on April 15, 1993, and on the fifteenth day of every third month thereafter, submit a report to the Administrator of the General Services Administration with regard to the preceding 3-month period that—

(i) certifies that the use of such aircraft complied with Office of Management and Budget Circular A-126 as modified by the provisions of this Act; and

(ii) identifies each traveler on such aircraft.

(2) After the receipt of each report, the Administrator shall review each certification

to ensure that the use of such aircraft complied with Office of Management and Budget Circular A-126 as modified. The Administrator shall make the information in any such report available to the public.

(e) LEGISLATIVE AGENCIES.—Each agency in the legislative branch of the Government (including each office and committee of the Congress) shall submit reports comparable to the reports submitted under subsection (c), with the appropriate administrative office of such agency. The reports submitted under this subsection shall be made available to the public for inspection.

**SEC. 3. GOLF COURSES.**

(a) LIMITATION.—No funds appropriated or otherwise made available to any agency may be expended to equip, operate, or maintain any golf course owned or operated by an agency. Any such golf course shall be operated by concessionaire contract and open to use by the general public.

(b) EXCEPTION.—Subsection (a) shall not apply to—

(1) any golf course located in a remote or isolated area or those for the use of patients or residents at Veterans' Administration Hospitals, United States Soldiers' and Airmen's Home, or the National Institutes of Health; or

(2) funds made available from gift funds or representation funds for activities authorized under law.

(c) USE OF FUNDS.—No more than 10 percent of the gross revenues generated from the operations of any golf course to which subsection (a) applies may be retained by the contracting military base to support morale, welfare or recreational purposes of the personnel at such base. The Secretary of Defense shall submit annual reports to the Congress which identify in detail how the funds retained have been expended. The Secretary of Defense is authorized to subsidize the golf fees for active and retired enlisted personnel utilizing such contracted courses and give priority access for military personnel.

(d) EFFECTIVE DATE.—The provisions of this section shall take effect no later than June 1, 1993.

**SEC. 4. EXECUTIVE DINING FACILITIES.**

No funds appropriated or otherwise made available to any executive agency may be expended to subsidize the costs to equip, operate, or maintain dining rooms or kitchen facilities for the exclusive use of senior Government officers or to purchase or prepare food for consumption by such officers. This

section shall not apply to dining rooms, facilities, or food for—

(1) the exclusive use or consumption of the President of the United States or his immediate family; or

(2) used to carry out the official representational functions of the President or for those official activities conducted by executive branch departments or agencies for which representation funds have been authorized and appropriated.

#### SEC. 5. LUXURY VEHICLES FOR TRANSPORTING GOVERNMENT OFFICERS.

(a) LUXURY VEHICLES.—No funds appropriated or otherwise made available to any agency or the Congress may be expended to acquire, through lease or purchase, luxury vehicles for the purpose of transporting senior Government officers, except for—

(1) a Government officer as authorized under section 1344 of title 31, United States Code;

(2) a Government officer who holds the office of Assistant Secretary or higher;

(3) the head of any executive agency and the second highest ranking officer in such agency;

(4) officials commissioned by the President or paid at a rate of pay equal to or greater than the rate payable for level IV of the Executive Schedule in the Executive Office of the President; or

(5) Members of Congress serving in leadership positions (including any former President pro tempore of the Senate) or elected or appointed officers of the Congress.

(b) DRIVERS.—(1) Subject to paragraph (2), no funds appropriated or otherwise made available to any agency may be expended to employ drivers for the exclusive use of transporting senior Government officers, except the officers described under subsection (a) (1) through (5).

(2) The provisions of this subsection shall not be construed to prohibit the expenditure of funds to employ drivers of multipassenger vehicles, such as vans or buses, which are not luxury vehicles.

(c) PURCHASE OR LEASE OF LUXURY VEHICLES.—The General Services Administration, in consultation with the Office of Management and Budget shall prescribe regulations and uniform guidelines for all executive agencies for the purchase or lease of luxury vehicles for or by the United States Government, that shall ensure the least cost to the United States Government. On October 1, 1993, and on October 1 of each year thereafter, the General Services Administration shall submit a report to the Congress on—

(1) executive agency compliance with such regulations;

(2) the number of all vehicles purchased or leased by each executive agency;

(3) the costs of executive agency vehicle purchases or leases;

(4) the type of each such executive agency vehicle and the purpose for which it is used; and

(5) the identification of executive agency Federal officers and employees who used such vehicles.

(d) LEGISLATIVE AGENCIES.—Each agency in the legislative branch of the Government (including each office and committee of the Congress) shall submit reports comparable to reports submitted under subsection (c) with the appropriate administrative offices of such agency.

(e) DEFINITION.—For purposes of this section the term "luxury vehicle" means a vehicle that is—

(1) a class IV or V sedan (as classified under section 101-38.101-1 of title 41 of the

Code of Federal Regulations as in effect on the date of the enactment of this Act) or other large sedan-type vehicle with above standard features; and

(2) owned or leased by the United States Government.

(f) EXCEPTION.—The provisions of this section shall not apply with regard to emergency vehicles or vehicles equipped for law enforcement purposes.

(g) REGULATIONS.—The Administrator of General Services shall issue regulations subject to the approval of the Office of Management and Budget, to implement the provisions of this section for executive agencies.

#### SEC. 6. PHYSICAL FITNESS FACILITIES.

(a) COSTS AND FEES.—Subject to the provisions of subsection (c), no appropriated funds made available to any executive or legislative agency (including any office or committee of the Congress) shall be expended for the costs of membership or other fees for the use of physical fitness facilities, including exercise equipment and classes.

(b) ADMINISTRATIVE LEAVE.—No executive or legislative agency (including any office or committee of the Congress) may grant administrative leave to an employee for the purpose of physical fitness activities, except with regard to an employee described under subsection (c).

(c) EXCEPTION.—(1) The provisions of subsections (a) and (b) shall not apply to any agency with regard to—

(A) employees in positions which require such employees to meet physical fitness standards as a condition of employment; or

(B) benefits provided to employees under a collective bargaining agreement.

(2) Funds for purposes described under subsection (a), may be expended only for the costs of maintaining the physical fitness of such employees.

(d) DEFINITION.—For purposes of this section the term "physical fitness facility" means any facility used for physical exercise that provides equipment and services for such use in addition to lockers and showers.

#### SEC. 7. MEDICAL SERVICES.

(a) LIMITATION.—No funds appropriated or otherwise made available to an executive or legislative agency may be used for the provision of medical services provided by the Public Health Service, the employing agency, any other Federal agency or other medical service provider to a Government officer or employee.

(b) EXCEPTION.—Subsection (a) shall not apply to medical services—

(1) provided by agencies to Government officers or employees in cases of emergency;

(2) determined by the head of an agency to be in the best interest of the agency such as occupational health and safety programs, preventive health care, or environmental safety programs;

(3) provided to uniformed military personnel and military retirees under law;

(4) including medical and dental care provided under section 1074 of title 10, United States Code, and regulations issued pursuant thereto;

(5) agency contributions for employee health plans under chapter 89 of title 5, United States Code, or any other provision of law; or

(6) services required under the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.).

(c) REGULATIONS.—The Secretary of Health and Human Services and the Department of Defense, in consultation with the Office of Personnel Management, shall issue regulations for executive agencies that provide ad-

ditional guidance including uniform fee schedules, as appropriate, to implement this section.

#### SEC. 8. SOUVENIRS.

(a) LIMITATION.—No funds appropriated or otherwise made available to any executive or legislative agency or Congress may be used for the purchase or distribution of souvenirs.

(b) EXCEPTION.—Subsection (a) shall not apply to those tokens or mementos authorized—

(1) in guidelines to be issued by the Director of the Office of Management and Budget prepared in consultation with the Comptroller General of the United States; or

(2) by law or resolution of the Congress.

#### SEC. 9. REDUCTION OF NONCAREER SENIOR EXECUTIVE SERVICE POSITIONS AND SCHEDULE C POSITIONS.

(a) LIMITATIONS.—The total number of Senior Executive Service positions in all executive agencies filled by noncareer appointees and the total number of positions in all executive agencies of a confidential or policy-determining character under schedule C of subpart C of part 213 of title 5 of the Code of Federal Regulations, shall each be reduced—

(1) on no later than October 1, 1993, by 5 percent of the respective total numbers of such positions as existed on September 30, 1991;

(2) on no later than October 1, 1994, by an additional 5 percent of the respective total numbers of such positions as existed on September 30, 1991; and

(3) on no later than October 1, 1995, and thereafter, by an additional 5 percent of the respective total numbers of such positions as existed on September 30, 1991.

(b) CONFORMING AMENDMENTS.—(1) Section 3133 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) This section is subject to the limitations of section 9 of the Senior Government Officer Benefit Limitation Act of 1993."

(2) Section 3134 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) This section is subject to the limitations of section 9 of the Senior Government Officer Benefit Limitation Act of 1993. The provisions of this subsection shall apply notwithstanding any other provision of this section. In the administration of this section, the percentages referred to in subsections (b), (c), (d), and (e) (relating to authority to employ certain appointees) shall each be reduced as necessary to carry out the provisions of this subsection."

(3) Section 3135 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) This section is subject to the limitations of section 9 of the Senior Government Officer Benefit Limitation Act of 1993. The provisions of this subsection shall apply notwithstanding any other provision of this section. In the administration of this section, the percentages referred to in subsections (b), (c), (d), and (e) (relating to authority to employ certain appointees) shall each be reduced as necessary to carry out the provisions of this subsection."

(4) Section 3136 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) This section is subject to the limitations of section 9 of the Senior Government Officer Benefit Limitation Act of 1993. The provisions of this subsection shall apply notwithstanding any other provision of this section. In the administration of this section, the percentages referred to in subsections (b), (c), (d), and (e) (relating to authority to employ certain appointees) shall each be reduced as necessary to carry out the provisions of this subsection."

(5) Section 3137 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) This section is subject to the limitations of section 9 of the Senior Government Officer Benefit Limitation Act of 1993. The provisions of this subsection shall apply notwithstanding any other provision of this section. In the administration of this section, the percentages referred to in subsections (b), (c), (d), and (e) (relating to authority to employ certain appointees) shall each be reduced as necessary to carry out the provisions of this subsection."

(6) Section 3138 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) This section is subject to the limitations of section 9 of the Senior Government Officer Benefit Limitation Act of 1993. The provisions of this subsection shall apply notwithstanding any other provision of this section. In the administration of this section, the percentages referred to in subsections (b), (c), (d), and (e) (relating to authority to employ certain appointees) shall each be reduced as necessary to carry out the provisions of this subsection."

(7) Section 3139 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) This section is subject to the limitations of section 9 of the Senior Government Officer Benefit Limitation Act of 1993. The provisions of this subsection shall apply notwithstanding any other provision of this section. In the administration of this section, the percentages referred to in subsections (b), (c), (d), and (e) (relating to authority to employ certain appointees) shall each be reduced as necessary to carry out the provisions of this subsection."

(8) Section 3140 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) This section is subject to the limitations of section 9 of the Senior Government Officer Benefit Limitation Act of 1993. The provisions of this subsection shall apply notwithstanding any other provision of this section. In the administration of this section, the percentages referred to in subsections (b), (c), (d), and (e) (relating to authority to employ certain appointees) shall each be reduced as necessary to carry out the provisions of this subsection."

(9) Section 3141 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) This section is subject to the limitations of section 9 of the Senior Government Officer Benefit Limitation Act of 1993. The provisions of this subsection shall apply notwithstanding any other provision of this section. In the administration of this section, the percentages referred to in subsections (b), (c), (d), and (e) (relating to authority to employ certain appointees) shall each be reduced as necessary to carry out the provisions of this subsection."

the basic rate of pay, exclusive of any locality-based pay adjustment under section 5304 of title 5, United States Code (or any comparable adjustment pursuant to interim authority of the President), is equal to or greater than the rate of basic pay payable for level V of the Executive Schedule;

(D) appointed by the President to a position under section 105(a)(2) (A) or (B) of title 3, United States Code, or by the Vice President to a position under section 106(a)(1) (A) or (B) of title 3, United States Code; or

(E) who is a Member of Congress, or an elected or appointed officer of the Congress.

#### SEC. 11. REPORT.

(a) IN GENERAL.—No later than September 30, 1994, and on September 30 of each year thereafter the Office of Management and Budget shall submit a report to the Congress on the compliance of the executive branch of Government with the provisions of this Act.

(b) SENIOR POSITION REDUCTIONS.—No later than September 30, 1993, and again on September 30, 1994, the Office of Management and Budget shall submit a report to the Congress on the compliance of the executive branch of Government with the provisions of section 8 of this Act.

#### SEC. 12. GIFT FUNDS.

In the administration of sections 3, 4, 5 and 8, restrictions on expenditures shall not be deemed to apply to gift funds that an agency is otherwise authorized to collect under law.

#### SEC. 13. REGULATIONS.

Except as otherwise provided by this Act, regulations implementing the provisions of this Act shall be promulgated—

(1) by the President, or his designee, with regard to each executive agency; and

(2)(A) by the Majority Leader and Minority Leader of the Senate, or their designee, with regard to each office and committee of the Senate;

(B) by the Speaker of the House of Representatives, or his designee, with regard to each office and committee of the House of Representatives; and

(C) by the Majority Leader and Minority Leader of the Senate and the Speaker of the House of Representatives, or their designee, with regard to any joint committee of the Congress, or any agency of the legislative branch of Government.

#### SEC. 14. NONAPPLICABILITY.

The provisions of this Act shall not apply to the judicial branch of the Government.

#### SEC. 15. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), the provisions of this Act shall be effective on and after October 1, 1993.

(b) EXCEPTION.—The President, the Office of Management and Budget, and the Office of Personnel Management shall take such necessary actions on and after the date of the enactment of this Act to carry out the provisions of sections 9(a) and 11(b) of this Act. ●

By Mr. REID (for himself, Mr. BRYAN, Mr. INOUE, Mr. STEVENS, and Mr. BUMPERS):

S. 235. A bill to limit State taxation of certain pension income, and for other purposes; to the Committee on Finance.

#### THE SOURCE TAX ELIMINATION ACT OF 1993

● Mr. REID. Mr. President, today I and my colleague Senator BRYAN are reintroducing legislation that was passed twice in this body last year. It is legislation in which all Members of Congress have a stake—a matter in which all Americans have a stake.

The bill we are reintroducing will eliminate a State's ability to tax a nonresident's pension income. As the situation exists today, retirees in every State may be forced to pay taxes to States where they do not reside. The retirees pay taxes on pensions drawn in the States where they spent their working years, despite the fact that they are no longer present to participate in the programs which their taxes are funding. They do not participate in medical assistance programs, senior centers, nor do they use the roads or public parks that these taxes are helping to fund. Most important of all, they don't even get to vote in their former State of residence—yet they still pay taxes to these States. It has been said many times, and I would agree—this is taxation without representation.

I would like to relate to my colleagues an example illustrating the inequity of the practice of source taxing pension incomes on nonresidents. The story I tell is what happened to a Nevada citizen, but it could be happening in any State.

An older woman who lives in Fallon, NV, has an annual income of between \$12,000 and \$13,000 a year. She is not rich, but she is surviving. One day the mail carrier delivers a notice from California that says she owes taxes on her pension income from California, plus the penalties and interest on those taxes. She cannot believe it, but being an honest person, she tells California that she has never paid these taxes in the past and asks why she is being assessed at this time. Mr. President, to make a long story short, the California Franchise Tax Board went back to 1978 and calculated her tax debt to be about \$6,000. Mr. President, this woman's income is only \$12,000 per year.

Mr. President, most citizens pay their taxes honestly and without too much complaining, but when they are taxed by a State where they do not reside, they begin to get upset with the system. I would like to pass on another case that illustrates the problem.

In 1971 a Washington State resident went to work at a Federal penitentiary on McNeil Island, WA. In the late 1970's the Bureau of Prisons began closing the facility and reducing the staff. That left this man with two choices. He could resign and give up 9 years toward retirement or transfer to a Federal center in San Diego. He chose the latter and went to work in California for the Bureau of Prisons.

When this gentleman retires he plans on returning to the State of Washington where he still owns a home. He wants to be near his children and grandchildren, as they still reside in Washington.

The State of Washington has no State income tax, however this man learned that he will be subject to California's source tax on his pension income when he returns to Washington.

This man was prodded by the system to move to California because the Federal Government closed down the prison where he worked. In order to maintain his income and continue building his pension—he moved, always intending to move back to Washington. Needless to say, he is angry. Let me read to you an excerpt from his letter to me. I quote:

The so-called source tax appears to be grossly illegal and contrary to the rights guaranteed by our constitution. That being the case, I am amazed that our Congress does not take immediate action to abolish such totally illegal state levies. I am sure you understand that people employed by the federal government could serve in numerous states throughout their careers before retiring to their home states. It is absolutely ridiculous, insidious and downright illegal for those states to levy an income tax against a nonresident. It is mind-boggling that a federal retiree (or any other retiree) living in a state that has no income tax could be paying income tax to as many as 13 other states.

He continues:

\*\*\* (Couple this tax) with the ridiculously high cost of medical care, hospitalization and other fast-rising consumer costs, and it should be quite evident that people will not be able to survive on retirement incomes.

Mr. President, this issue was brought to my attention several years ago by a Nevadan named Bill Hoffman. He told me about the cases above and many others. Bill informed me that retirees were being harassed by their former States because of this tax, commonly called a source tax. In fact, he had heard so many complaints that eventually he and his wife, Joanne, began organizing the people that were effected. Eventually, they formed a group known as Retirees to Eliminate State Income Source Tax [RESIST].

RESIST was founded in July 1988 in Carson City, NV. In the less than 4 years since its beginning, RESIST membership has grown to tens of thousands of members. It includes members in every State of the Union. It is truly a nonprofit, grass roots organization. It operates entirely through the work of volunteers—no members are salaried.

The credibility of this group has convinced other long-established organizations, such as the National Association of Retired Federal Employees [NARFE], the National Association for Uniformed Services with 60,000 members, and the Fund for Assuring an Independent Retirement [FAIR] to make a commitment to the prohibition of the source tax on pension income.

In the beginning, this issue affected mostly retired Government employees because of easy access to their records. However, as economic times become tougher and State budgets are straining for revenues, the source tax is becoming an ever more popular revenue. As an example, I have copies of letters from Ford and Rockwell that were sent to their retired employees telling them that they must report tax liabilities in

those States that collect the source tax. Other companies are following suit. As a result the American Payroll Association has recently joined the coalition that wants to prohibit this tax.

The American Payroll Association represents almost 9,000 payroll professionals. Payroll professionals are responsible for issuing approximately 4 billion paychecks a year to the over 100 million people in the U.S. work force. Let me tell you what they have to say about the source tax. I quote:

In instances where an employee has worked in several states during his or her career, employers will not have adequate records to identify the earnings or years an employee was employed in a particular state. Without this information it will be impossible to determine an equitable calculation of the portion of pension that would be taxable in a particular state. Any attempt at developing the ability to determine this through computer systems would be crippling expensive.

We are all aware of the increased mobility that Americans have come to know. Many people today plan to retire in places other than the area they work. The recent growth of Nevada is ample evidence of this. There are many reasons for it. People might want to live in a warmer climate. Or, possibly their families have move and they want to join them. Whatever the reason, they spend their working years savings enough to be able to move to their chosen area. You can imagine their shock and then dismay when they receive a notification that back taxes, along with interest and penalties, are owed to their old State of residence. The shock is from a tax for which they receive no services and no representation. The dismay from the inability to pay a sometimes enormous tax debt when one lives on a fixed income.

To prohibit this unethical practice, we are reintroducing this legislation which prohibits States from taxing pensions or retirement income of non-residents, taking into consideration the way the State defines a resident. Last year, during the Senate consideration of H.R. 4210, the comprehensive tax bill passed by Congress and subsequently vetoed by the President, I offered an amendment similar to this legislation. At that time there was concern that my amendment would open up loopholes for the very wealthy to avoid paying State income taxes. Mr. President, that was never my intention. Since that time, I have worked hard to address the concerns of some of my colleagues. This legislation would preclude a State from taxing pension income of a nonresident if that pension income is in one of the plans listed in the bill as defined by the tax code.

State budgets are experiencing economic hard times. It seems like every week I read or hear of another State that is either laying off State employees or increasing taxes, or both. It won't take long for States to realize

that taxing someone from another State is an easy way to increase revenues without paying the political price. In other words, unless this legislation is passed, you can be sure that more and more States will begin to impose this unfair tax for which no one is held accountable.

In conclusion, there is no cost to the Federal Government to prohibit the practice of source taxing the pension income of nonresidents, and I urge my colleagues to cosponsor this bill. Joining Senator BRYAN and myself as original cosponsors on this legislation are Senator INOUE and Senator STEVENS. ● Mr. BRYAN. Mr. President, I am pleased to join my colleagues from Nevada once again in introducing legislation to eliminate the unfair situation which faces many unsuspecting retirees across the country—the so-called source taxation of retirement benefits.

As Senator REID has pointed out, the onerous source taxation affects retirees who choose to move to another State after their retirement. These unsuspecting retirees establish their new residences, assuming that they have left all ties and obligations to their former States behind. Unfortunately, this is often not the case.

In a growing number of States, revenue desperate tax collectors are crossing States lines and harassing retirees who have moved away in an attempt to collect State income taxes on former residents. Often, these collection attempts come years after the retiree has moved to a new State, and the resulting bills for taxes, interest, and penalties can be astronomical.

As you can imagine, the retirees faces with this unfair practice are both shocked and angry. They are not allowed to enjoy any of the services provided by their former State, but they must foot the bill for the services provided to others. They are not allowed the right to cast a vote to influence how State funds are spent, but they are being forced to help fill the State treasury.

I was outraged by this practice while I was Governor, and my outrage has not lessened since I joined the Senate. In the 4 years since I became Senator, I have joined Senator REID and the rest of the Nevada Congressional Delegation in working to provide retirees across the country with relief from this unfair taxation.

I was extremely pleased and hopeful last year when it finally appeared that we were beginning to make some progress. By a vote of 62 to 36, we were successful in attaching our legislation to the urban aid bill by the Senate last March. Unfortunately, the source tax provision did not survive the conference committee, and the urban aid bill was eventually vetoed by President Bush. A similar scenario played out last fall, leaving us with no other vehicles to pass this important legislation.

It is time to put this issue to rest. Retirees across the Nation have earned the right to enjoy their retirement years without living in fear of the tax collectors of their former States.

I urge other Senators to cosponsor this important legislation, and am hopeful that we will send this bill to President Clinton early in the 103d Congress. ●

By Mr. McCAIN:

S. 236. A bill to increase Federal payments to units of general local government for entitlement lands, and for other purposes; to the Committee on Energy and Natural Resources.

PAYMENT IN LIEU OF TAXES

● Mr. McCAIN. Mr. President, I rise today to introduce a measure which would increase the authorization for the Payments-in-Lieu-of-Taxes Program.

My colleagues may remember this bill was introduced last year by Senator Wirth of Colorado. I was proud to be a cosponsor of that measure. This year, in his absence, I am proud to reintroduce this legislation.

This measure has three very simple provisions. First, it would increase the amount paid per acre to the local governments from 75 cents per acre to \$1.65 per acre. This amount has not been increased since the program began in 1976. Because of inflation, payments are now worth less than half of what they were when the program was originally enacted. Second, it would index PILT payments for inflation to ensure that future payments keep with the rate of inflation. Finally, it exempts land conveyed to the United States through exchanges.

In my home State of Arizona nearly 85 percent of our lands are held by the Federal Government. This has an extremely adverse effect on many of the counties in my State which rely upon property taxes for revenue. It also has a dampening effect on economic growth and development. This is not a problem which only affects Arizona. Many of the Western States have counties which are caught in the same bind.

Counties are constantly faced with increasing Federal mandates that are often costly and cumbersome. It is simply unfair to continually increase these mandates and their costs when counties are left with no manner in which to increase revenue.

I understand that some of my colleagues may have concerns about the cost of this measure of the Federal Government. Please be assured that I understand these concerns and that I am willing to work with my colleagues to address them.

Mr. President, I urge the Senate to carefully consider and pass this important legislation. I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

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

## S. 236

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

## SECTION 1. INCREASE IN PAYMENTS FOR ENTITLEMENT LANDS.

(a) INCREASE BASED ON CONSUMER PRICE INDEX.—Section 6903(b)(1) of title 31, United States Code, is amended—

(1) in subparagraph (A), by striking "75 cents for each acre of entitlement land" and inserting "\$1.65 for each acre of entitlement land"; and

(2) in subparagraph (B), by striking "10 cents for each acre of entitlement land" and inserting "22 cents for each acre of entitlement land".

(b) INCREASE IN POPULATION CAP.—Section 6903(c) of title 31, United States Code, is amended—

(1) in paragraph (1), by striking "\$50 times the population" and inserting "\$110 times the population"; and

(2) by amending the table at the end to read as follows:

"If population equals—	the limitation is equal to the population times—
5,000	110.00
6,000	103.00
7,000	97.00
8,000	90.00
9,000	84.00
10,000	77.00
11,000	75.00
12,000	73.00
13,000	70.00
14,000	68.00
15,000	66.00
16,000	65.00
17,000	64.00
18,000	63.00
19,000	62.00
20,000	61.00
21,000	60.00
22,000	59.00
23,000	59.00
24,000	58.00
25,000	57.00
26,000	56.00
27,000	56.00
28,000	56.00
29,000	55.00
30,000	55.00
31,000	54.00
32,000	54.00
33,000	53.00
34,000	53.00
35,000	52.00
36,000	52.00
37,000	51.00
38,000	51.00
39,000	50.00
40,000	50.00
41,000	49.00
42,000	48.00
43,000	48.00
44,000	47.00
45,000	47.00
46,000	46.00
47,000	46.00
48,000	45.00
49,000	45.00
50,000	44.00."

## SEC. 2. INDEXING OF PILT PAYMENTS FOR INFLATION.

Section 6903 of title 31, United States Code, is amended by adding at the end the following new subsection:

"(d) The Secretary of the Interior shall, on October 1, 1993, and each October 1 thereafter, adjust each dollar amount specified in subsections (b) and (c) to reflect changes in the Consumer Price Index published by the

Bureau of Labor Statistics of the Department of Labor, for the 12 months ending the preceding June 30."

## SEC. 3. LAND EXCHANGES.

Section 6902(b) of title 31, United States Code, is amended by striking "acquisition" and inserting "acquisition, and does not apply to payments for lands conveyed to the United States in exchange for Federal lands."•

By Mr. PRESSLER:

S. 237. A bill to create the National Network Security Board as an independent government agency, located within the Federal Communications Commission, to promote telecommunications network security and reliability by conducting independent network outage investigations and by formulating security improvement recommendations; to the Committee on Commerce, Science, and Transportation.

## NATIONAL NETWORK SECURITY BOARD ACT OF 1993

S. 238. A bill to require the Federal Communications Commission to report annually to Congress regarding the security reliability of the Nation's telecommunications network; to the Committee on Commerce, Science, and Transportation.

## NATIONAL NETWORK SECURITY AND RELIABILITY REPORTING ACT OF 1993

Mr. PRESSLER. Mr. President, today I am introducing two bills to improve the security and reliability of our Nation's telecommunications network. First, the National Network Security Board Act establishes an independent agency within the Federal Communications Commission [FCC] to conduct telecommunications network outage investigations and formulate specific telephone security improvement recommendations. Second, the National Network Security and Reliability Reporting Act directs the FCC to conduct a comprehensive study of the network's vulnerability to outages and to report annually to Congress on how network security and reliability can be improved.

My first proposal essentially is identical to a bill I introduced last year, S. 2168. The bill was in response to a number of widely publicized network outages that severely disrupted telephone service for millions of Americans. It is based on a proposal made by FCC Commissioner, Ervin Duggan, who suggested the creation of an investigatory board analogous to the National Transportation Safety Board.

On January 4, 1991, a fiber optic cable inadvertently was cut, resulting in 6 million homes losing long-distance phone service. The outage shut down operations at the New York Mercantile and Commodity Exchanges. Some areas did not regain service until 8 hours later.

On June 26, 1991, three major outages occurred. A SS7 software failure in Baltimore resulted in a telephone outage

for 10 million homes in four States. In California, a SS7 failure caused 3 million homes to lose phone service. In South Carolina, another 150,000 homes lost all phone service when a switch failed.

On July 2, 1991, in Pennsylvania, more than 1 million homes lost service as a result of another SS7 software failure.

A power failure in New York City on September 17, 1991, shut down all three New York airports for 6 hours. The disruption of communications between air control towers and airplanes preparing to land placed thousands of passengers in danger, while stranding many others throughout the east coast.

Three days following this system failure, the Federal Aviation Administration released a report detailing 114 serious telecommunications outages that had affected our Nation's air traffic system during the previous year.

Three days later a fiber optic cable was cut in Miami, FL, causing Miami International Airport to be shut down for many hours—again threatening the safety of passengers.

These numerous telecommunications disasters affected the safety and financial security of millions of Americans. Yet, at that time, there were no requirements that communications common carriers even notify Government officials when such outages occur. Fortunately, that has changed. The FCC now requires common carriers to alert the FCC within 90 minutes of a service disruption that affects 50,000 or more potential customers for 30 minutes or more. However, there is still no Federal agency charged with the responsibility for investigating network crashes and making recommendations to prevent future outages.

In the past year, we have been extremely fortunate. The succession of telecommunications disasters in 1991 has not been repeated. This is not due to any significant improvement in network security or reliability. We have been merely lucky.

We must not let our good fortune lull us into complacency. A reliable telecommunications network with adequate default, redundancy, and recovery mechanisms is absolutely vital to our economy, safety, and security. We should act before the next telecommunications disaster shuts down financial markets, closes airports, or disables entire communities.

We can act responsibly by passing the National Network Security Board, which would achieve three important public policy purposes.

First, the National Network Security Board would provide vigorous and swift investigation of network outages involving telecommunications networks. This would provide a permanent and comprehensive record of the causes of network outages.

Second, this Board would oversee a continual review, appraisal, and assess-

ment of the operating practices and regulations of all Federal agencies regulating telecommunications networks. This continual assessment would allow the Board to formulate security improvement recommendations and help prevent network outages from occurring in the future.

Because the National Network Security Board quite likely would make conclusions and recommendations that may be unfavorable to other Federal agencies, the Board would be an independent Federal agency. This would help accomplish the third objective: To reassure a public that is uncertain who is monitoring our Nation's telephone network.

As I mentioned earlier, this Board is patterned closely along the lines of the National Transportation Safety Board, which conducts independent investigations of transportation accidents. There are striking similarities between telecommunications outages and transportation accidents: Both place the public in danger, both disrupt our economy, and both can lead to future accidents unless responsible changes occur.

Obviously, network outages do not injure people to the degree of an airline crash or train derailment, but when aircraft lose communications with their control tower and millions of people lose 911 emergency service, a real public safety danger is created.

The National Network Security Board would consist of five members appointed by the President with the advice and consent of the Senate. Three members of this Board would be individuals appointed on the basis of technical qualification, professional standing, and demonstrated knowledge in the fields of communications network management, telecommunications network engineering, or communications common carrier regulation.

Mr. President, without the creation of a National Network Security Board, our telecommunications network will remain vulnerable. Congress has two choices. We can ignore the problem and belatedly act when the next serious network outage occurs, or we can take responsible action now to prevent future outages.

I recognize that creating a new agency or even expanding an existing agency's responsibilities is difficult and unpopular in these times of massive budget deficits. Also, as the 1991 telecommunications disasters fade from memory, this legislation may not receive the attention it deserves until there is another major network crash.

Therefore, in the meantime, Congress at the very least should ensure that the FCC focus its available resources on the problem of network outages. Although the FCC has investigated outages on a case-by-case basis, it never has been required to systematically study the network's vulnerability to

severe outages. The other bill I am introducing today, the National Network Security and Reliability Reporting Act, does just that.

My bill directs the FCC to conduct a comprehensive state of the network study. Specifically, the study should identify the network's vulnerabilities to outages and evaluate default, redundancy, and recovery mechanisms that are necessary to maintain and to restore service. The FCC would report its results and make recommendations for needed action to Congress within 1 year of enactment and annually thereafter.

This legislation builds on the work the FCC already has begun with its Federal advisory committee, the National Reliability Council. Made up of representatives from local- and long-distance carriers, telecommunications equipment providers, users and software manufacturers, standards setting bodies and State regulators, the Council is a forum for sharing technical information about network reliability issues. Unfortunately, the Council is currently scheduled to disband by mid-year.

The FCC, the telecommunications industry, and the public need ongoing expert advice from a panel like the National Reliability Council. Rather than establish an advisory committee by statute, however, the proposed legislation directs the FCC to base its annual report to Congress on information provided by major communications common carriers and their equipment and software suppliers. This gives the FCC the flexibility to adapt its advisory group as the dynamic and rapidly changing telecommunications industry evolves.

Mr. President, our telecommunications network continues to be vulnerable to disruption caused by technical failures, accidents or other causes. Congress should not wait until the next disaster occurs before it acts. The National Network Security and Reliability Reporting Act is needed now to give a comprehensive understanding of the state of our network today.

Mr. President, although this is a vital first step, the most effective way to prevent future telecommunications disasters is to adopt the National Network Security Board Act. Congress can opt for a short- or long-term solution to this program, but we and all Americans cannot afford inaction on this matter.

Mr. President, I ask unanimous consent that both bills be printed in the RECORD following my remarks.

There being no objection, the bills were ordered printed in the RECORD, as follows:

S. 237

*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 "National Network Security Board Act of 1993".

#### SEC. 2. FINDINGS.

The Congress finds that—

(1) telecommunications networks constitute an essential infrastructure for the Nation's economy and security;

(2) in the past several years there have been a significant number of severe network outages that each temporarily left millions of United States telephone customers without telephone service;

(3) there has been no comprehensive study of the security of the network or its vulnerability to disruptions caused by technical failure, accident, or sabotage;

(4) self-investigation of network outages is not adequate for ensuring the security of our public switched network;

(5) there is no official mechanism for investigating network crashes and making recommendations for actions to prevent future outages;

(6) telecommunications network outages present a serious public safety danger;

(7) there is a need for an independent government agency, located within the Federal Communications Commission, to promote telecommunications security and reliability by conducting independent network outage investigations and by formulating security improvement recommendations;

(8) the creation of the National Network Security Board will provide vigorous investigation of network outages involving telecommunication networks regulated by other agencies of the Federal government;

(9) the National Network Security Board shall demand continual review, appraisal, and assessment of the operating practices and regulations of all Federal agencies regulating telecommunications networks; and

(10) the National Network Security Board is likely to make conclusions and recommendations that may be critical of or adverse to Federal agencies regulating telecommunications networks; for this reason it is necessary that the Board be separate and independent from any other department, bureau, commission, or agency of the United States.

#### SEC. 3. CREATION OF THE NATIONAL NETWORK SECURITY BOARD.

(a) ORGANIZATION.—(1) The National Network Security Board (hereafter referred to in this Act as the "Board") shall consist of 5 members, including a Chairman. Members of the Board shall be appointed by the President, by and with the advice and consent of the Senate. No more than 3 members of the Board shall be of the same political party. At any given time, no less than 3 members of the Board shall be individuals who have been appointed on the basis of technical qualification, professional standing, and who have demonstrated knowledge in the fields of telecommunications network management, telecommunications network engineering, or communication common carrier regulation.

(2) The terms of office of members of the Board shall be 5 years, except as otherwise provided in this paragraph. Any individual appointed to fill a vacancy occurring on the Board prior to the expiration of the term of office for which his predecessor was appointed shall be appointed for the remainder of that term. Upon the expiration of his term of office, a member shall continue to serve until his successor is appointed and shall have qualified. Any member of the Board may be removed by the President for inefficiency, neglect of duty, or malfeasance in office.

(3) On or before January 1, 1994 (and thereafter as required), the President shall—

(A) designate, by and with the advice and consent of the Senate, an individual to serve as the Chairman of the Board; and

(B) an individual to serve as Vice Chairman.

(4) The Chairman and Vice Chairman of the Board each shall serve for a term of 2 years. The Chairman shall be the chief executive and shall be responsible for the administrative functions of the Board with respect to the appointment and supervision of personnel of the Board; the distribution of business among such personnel and among any administrative units of the Board; and the use and expenditure of funds. The Vice Chairman shall act as Chairman in the event of the absence or incapacity of the Chairman or in case of a vacancy in the office of Chairman. The Chairman or acting chairman shall be governed by the general policies established by the Board, including any decisions, findings, determinations, rules, regulations, and formal resolutions.

(5) Three members of the Board shall constitute a quorum for the transaction of any function of the Board.

(6) The Board shall establish and maintain distinct and appropriately staffed bureaus, divisions, or offices to investigate and report on network outages involving each of the following networks: (A) long distance, and (B) local exchange.

(b) GENERAL.—(1) The General Services Administration shall furnish the Board with such offices, equipment, supplies, and services as it is authorized to furnish to any other agency or instrumentality of the United States.

(2) The Board shall have a seal which shall be judicially recognized.

(3) Subject to the civil service and classification laws, the Board is authorized to select, appoint, employ, and fix the compensation of such officers and employees, including investigators, attorneys, and administrative law judges, as shall be necessary to carry out its powers and duties under this Act.

#### SEC. 4. GENERAL PROVISIONS.

(a) DUTIES OF BOARD.—The Board shall—

(1) investigate or cause to be investigated (in such detail as the Board shall prescribe), and determine the facts, conditions, and circumstances and the cause or probable cause or causes of any long distance network outage or local exchange network outage. Any investigation of network outage conducted by the Board shall have priority over all other investigations of such network outage conducted by other Federal agencies. The Board shall provide for the appropriate participation by other Federal agencies in any such investigation, except that such agencies may not participate in the Board's determination of the probable cause of the network outage. Nothing in this section shall be construed as impairing the authority of other Federal agencies to conduct investigation of a network outage under applicable provisions of law or to obtain information directly from parties involved in, and witnesses to, the network outage. The Board and other Federal agencies shall assure that appropriate information obtained or developed in the course of their investigations is exchanged in a timely manner. The Board may request the Chairman of the Federal Communications Commission to make investigations with regard to such network outage and to report to the Board the facts, conditions, and circumstances thereof (except in accidents where misfeasance or nonfeasance

by the Federal Government is alleged), and the Chairman of the Commission or his delegates are authorized to make such investigations. Thereafter, the Board, utilizing such reports, shall make its determination of cause or probable cause under this paragraph;

(2) report in writing on the facts, conditions, and circumstances of each network outage investigated pursuant to paragraph (1) of this subsection and cause such reports to be made available, upon request, to the public at reasonable cost;

(3) issue periodic reports to the Congress, Federal, State, and local agencies concerned with telecommunications network security, and other interested persons recommending and advocating meaningful responses to reduce the likelihood of recurrence of network outages similar to those investigated by the Board and proposing corrective steps;

(4) initiate and conduct special studies and special investigations on matters pertaining to telecommunications network security and reliability; and

(5) assess and reassess techniques and methods of network outage investigation and prepare and publish from time to time recommended procedures for network outage investigations.

(b) POWERS OF BOARD.—(1) The Board, or upon the authority of the Board, any member thereof, any administrative law judge employed by or assigned to the Board, or any officer or employee duly designated by the Chairman of the Board, may, for the purpose of carrying out this Act, hold such hearings, sit and act at such times and places, administer such oaths, and require by subpoena or otherwise the attendance and testimony of such witnesses and the production of such evidence as the Board or such officer or employee deems advisable. Subpoenas shall be issued under the signature of the Chairman, or his delegate, and may be served by any person designated by the Chairman. Witnesses summoned to appear before the Board shall be paid the same fees and mileage that are paid witnesses in the United States courts. Such attendance of witnesses and production of evidence may be required from any place in the United States to any designated place of such hearing in the United States.

(2) Any employee of the Board, upon presenting appropriate credentials and a written notice of inspection authority, is authorized to enter any property wherein a network outage has occurred and do all things therein necessary for a proper investigation, including examination or testing of any communications equipment or any part of any such item when such examination or testing is determined to be required for purposes of such investigation. Any examination or testing shall be conducted in such manner so as not to interfere with or obstruct unnecessarily the communication services provided by the owner or operator of such equipment, and shall be conducted in such a manner so as to preserve, to the maximum extent feasible, any evidence relating to the network outage, consistent with the needs of the investigation and with the cooperation of such owner or operator. The employee may inspect, at reasonable times, records, files, papers, processes, controls, and facilities relevant to the investigation of such network outage. Each inspection, examination, or test shall be commenced and completed with reasonable promptness and the results of such inspection, examination, or test made available as provided by the Board. The Board shall have sole authority

to determine the manner in which testing will be carried out under this paragraph, including determining the persons who will conduct the test, the type of test which will be conducted, and the persons who will witness the test. Such determinations are committed to the discretion of the Board and shall be made on the basis of the needs of the investigation being conducted by the Board and, where applicable, the provisions of this paragraph.

(3) In case of contumacy or refusal to obey a subpoena, an order, or an inspection notice of the Board, or of any duly designated employee thereof, by any person who resides, is found or transacts business within the jurisdiction of any United States district court, such district court shall, upon the request of the Board, have jurisdiction to issue to such person an order requiring such person to comply forthwith. Failure to obey such an order is punishable by such court as a contempt of court.

(4) The Board is authorized to enter into, without regard to section 3709 of the Revised Statutes of the United States (41 U.S.C. 5), such contracts, leases, cooperative agreements, or other transactions as may be necessary in the conduct of the functions and the duties of the Board under this Act, with any government entity or any person.

(5) The Board is authorized, with the approval of the appropriate Federal agency, to—

(A) use, on a reimbursable basis or otherwise, when appropriate, available services, equipment, personnel, and facilities of the Federal Communications Commission and of any other Federal agencies;

(B) with the approval of the appropriate governmental agency of a State, or political subdivision thereof, confer with employees and use available services, records, and facilities of such governmental agency;

(C) employ experts and consultants in accordance with section 3109 of title 5 of the United States Code;

(D) appoint 1 or more advisory committees composed of qualified private citizens or officials of Federal, State, or local governments as it deems necessary or appropriate, in accordance with the Federal Advisory Committee Act;

(E) accept voluntary and uncompensated services notwithstanding any other provision of law;

(F) accept gifts or donations of money or property (real, personal, mixed, tangible, or intangible);

(G) enter into contracts with public or private nonprofit entities for the conduct of studies related to any of its functions; and

(H) require payment or other appropriate consideration from Federal agencies, State, local, and foreign governments for the reasonable cost of goods and services supplied by the Board and to retain and use such funds received in carrying out the functions of the Board.

(6) Whenever the Board submits or transmits any budget estimate, budget request, supplemental budget estimate, or other budget information, legislative recommendation, prepared testimony for congressional hearings, or comment on legislation to the President or to the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress. No officer or agency of the United States shall have any authority to require the Board to submit its budget requests or estimates, legislative recommendations, prepared testimony for congressional hearings, or comments on legislation to any officer or agency of the United

States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

(7) The Board is authorized to designate representatives to serve or assist on such committees as the Chairman of the Board determines to be necessary or appropriate to maintain effective liaison with other Federal agencies, and, with their approval, with State and local government agencies, and with independent standard-setting bodies carrying out programs and activities related to telecommunications network security.

(8) The Board, or an employee of the Board duly designated by the Chairman, may conduct an inquiry to secure data with respect to any matter pertinent to telecommunications network security upon publication of notice of such inquiry in the Federal Register; and may require, by special or general orders, Federal agencies and persons engaged in activities related to telecommunications network security, and in the case of an agency of a State or political subdivision thereof, to request such agency, to submit written reports and answers to such requests and questions as are propounded with respect to any matter pertinent to any function of the Board. Such reports and answers shall be submitted to the Board or to such employee within such reasonable period of time and in such form as the Board may determine. Copies thereof shall be made available for inspection by the public.

(9) The Board may at any time utilize on a reimbursable basis the services of the Field Operations Bureau of the Federal Communications Commission or any successor organization. The Chairman of the Federal Communications Commission shall make available the services of such Bureau or successor organization—

(A) to the Board for training of employees of the Board in the performance of all of their authorized functions, and

(B) to such other personnel of Federal, State, local, and foreign governments and nongovernmental organizations as the Board may from time to time designate, in consultation with the Chairman of the Federal Communications Commission. Utilization of such training at the Bureau or successor organization by designated non-Federal telecommunications network security personnel shall be at a reasonable fee to be established periodically by the Board in consultation with the Chairman of the Board. Such fee shall be paid directly to the Chairman for the credit of the proper appropriation, subject to the requirements of any annual appropriation, and shall be an offset against any annual reimbursable agreement entered into between the Board and the Chairman of the Federal Communications Commission to cover all reasonable direct and indirect costs incurred for all such training by the Chairman in the administration and operation of the Bureau or successor organization. The Board shall maintain an annual record of all such offsets. In providing such training to Federal employees, the Board shall be subject to chapter 41 of title 5 of the United States Code (relating to training of employees).

#### SEC. 5. PUBLIC ACCESS TO INFORMATION.

Copies of any communication, document, investigation, other report, or information received or sent by the Board, or any member or employee of the Board, shall be made available to the public upon request, and at reasonable cost. Nothing contained in this section shall be deemed to require the release of any information described by sub-

section (b) of section 552 of title 5, United States Code, or which is otherwise protected by law from disclosure to the public.

#### SEC. 6. RESPONSE TO BOARD RECOMMENDATIONS.

(a) CHAIRMAN'S DUTY TO RESPOND; CONTENTS OF RESPONSE; PUBLICATION; PUBLIC AVAILABILITY OF COPIES.—

(1) Whenever the Board submits a recommendation regarding network outages to the Chairman of the Federal Communications Commission, he shall respond to each such recommendation formally and in writing not later than 90 days after receipt thereof. The response to the Board by the Chairman shall indicate his intention to—

(A) initiate and conduct procedures for adopting such recommendation in full, pursuant to a proposed timetable, a copy of which shall be included;

(B) initiate and conduct procedures for adopting such recommendation in part, pursuant to a proposed timetable, a copy of which shall be included. Such response shall set forth in detail the reasons for the refusal to proceed as to the remainder of such recommendation; or

(C) refuse to initiate or conduct procedures for adopting such recommendation. Such response shall set forth in detail the reasons for such refusal.

(2) The Board shall make copies of each such recommendation and response thereto available, upon request, to the public at reasonable cost.

(b) ANNUAL REPORT TO CONGRESS.—The Chairman shall submit a report to the Congress on January 1 of each year setting forth all the Board's recommendations to the Chairman during the preceding year regarding telecommunications network security and a copy of the Chairman's response to each such recommendation.

#### SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

For fiscal year 1994, and each of the next following 3 fiscal years, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act, but in no event to exceed \$10,000,000 in any 1 fiscal year.

S. 238

*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 "Telecommunications Network Security and Reliability Reporting Act of 1993".

#### SEC. 2. FINDINGS.

The Congress finds that—

(1) telecommunications networks constitute an essential infrastructure for the Nation's economy and security;

(2) in the past several years there have been a significant number of severe network outages that temporarily left millions of United States telephone customers without telephone service;

(3) there has been no requirement for systematic study of the security of the network or its vulnerability to disruptions caused by technical failure, accident, or other causes; and

(4) there is a need for the Federal Communications Commission to monitor network outages on a systematic and ongoing basis; to assess the adequacy of default, redundancy, and recovery mechanisms; and to recommend measures to prevent future outages.

#### SEC. 3. STUDY OF NETWORK SECURITY AND RELIABILITY.

The Federal Communications Commission shall conduct a comprehensive study of the

security and reliability of the Nation's telecommunications network to identify the sources of the network's vulnerability to outages and to determine what default, redundancy and recovery mechanisms are necessary to maintain and restore service.

#### SEC. 4. REPORT TO CONGRESS.

The Federal Communications Commission shall report to Congress within 12 months after the date of enactment of this Act the results of the study conducted pursuant to section 3. Such report shall include an analysis of information, regarding telephone service reliability and network outages, provided by major communications common carriers and their telecommunications equipment and software suppliers and manufacturers, and the recommendations of the Federal Communications Commission as to the actions which it determines necessary to ensure the security and reliability of the network.

#### SEC. 5. ANNUAL REPORT.

Commencing with the 12-month period following the date of the submission of the report pursuant to section 4, and each 12-month period thereafter, the Federal Communications Commission shall report to Congress regarding the security and reliability of the Nation's telecommunications network.

By Mr. BUMPERS:

S. 240. A bill to accelerate implementation of loan forgiveness incentives for student borrowers who perform certain full-time, low-paid national community service; to the Committee on Labor and Human Resources.

NATIONAL SERVICE IMPLEMENTATION ACT OF 1993

• Mr. BUMPERS. Mr. President, I rise to introduce legislation, the National Service Implementation Act of 1993, to implement part of President Clinton's national service plan.

The legislation would amend the 1992 amendments to the Higher Education Act to accelerate implementation the new loan cancellation incentive for student borrowers who perform full-time, low-paid community service.

ENACTMENT OF LOAN CANCELLATION AMENDMENTS

During the campaign President Clinton often talked about cancellation of student loans for those who perform community service. This is a pledge he can implement immediately with enactment of this legislation.

President Clinton talked also about creating a national service trust which would increase the college loans available to students who perform community service. I would be happy to work on this ambitious proposal, but we need to recognize that it will be expensive and perhaps controversial to increase the funds available for college loans, especially if the loans are to be available without reference to the borrower's financial need. Funds to establish a national service trust can be generated if we can settle on a way to avoid the large overhead costs of using banks to guarantee loans. I look forward to the terms of President Clinton's national service plan and to de-

bating the issues raised by his plan during this first session of the 103d Congress.

In the meantime we don't have to wait to implement the other half of President Clinton's proposal—cancellation of student loans for those who perform community service.

There is nothing inconsistent between canceling the loans of students who perform community service after they attend college and providing vouchers for college tuition to those who perform service before they attend college.

It will be easy to implement the loan cancellation pledge because of the groundwork I have laid with the 1992 Higher Education Act Amendments. Few noticed during the campaign that these amendments include a new and exciting generic loan cancellation incentive for full-time, low-paid community service. I am proud to be the sponsor of this new incentive, which I have been championing for about 5 years.

The timing couldn't be better as this new cancellation program is just sitting there waiting for someone like President Clinton who can appreciate its power and importance.

This new incentive is the first to permit cancellation of Stafford—that is guaranteed—loans for those who perform full-time, low-paid community service. Since enactment of the 1980 Higher Education Act Amendments we have had loan cancellation programs for Perkins—that is direct—loans for certain types of service. The new Stafford loan cancellation program is important because it applies to Stafford loans and because it is generic, not targeted only to certain types of service.

There are many more student borrowers under the Stafford loan program than under the Perkins program. In fiscal 1991 \$9.648 billion in Stafford loans was available and \$860 million in Perkins loans. There were 3.513 million students with Stafford loans and 688,000 with Perkins loans. The average loan balance for Stafford loans was \$2,747 and for Perkins loans was \$1,250.

The new, generic Stafford loan cancellation incentive is simple. Student borrowers who work full time for at least a year as a low-paid employee of a nonprofit community service organization can have 15 percent of their Stafford loans canceled for their first year of service. Service with the Peace Corps and VISTA also qualifies. While they serve, student borrowers receive a deferment on repayment of their loans. If they work for a second, third, or fourth year, they qualify for additional cancellation. The cancellation forms and payments are all handled by the Department of Education.

This loan cancellation incentive is the paradigm of a nonbureaucratic, decentralized national and community service program. This program does not involve the Federal Government in

recruiting, training, placing, paying or managing the student borrowers. It simply provides a new, exciting and powerful incentive for them to serve. This is an incentive I believe could lead tens of thousands of college graduates to devote a year or more of their lives to community service.

Loan cancellation is an effective incentive for community service because it focuses on the most frequently cited reason that young persons give for not performing community service, their student loan debt burden. It takes away the most often heard excuse for not serving, "I can't afford it."

The legislation I am introducing today would amend the 1992 amendments to the Higher Education Act in five ways:

First, the bill would change the effective date for this generic Stafford loan cancellation program. The effective date for the new loan cancellation program is set in section 428J(b)(1); it applies to "any new borrower after October 1, 1992. \* \* \*" The term "new borrower" is defined in section 432(b) and it "means, with respect to any date, an individual who on that date has no outstanding balance of principal or interest owing on any loan made, insured, or guaranteed under" the law. The legislation amends this effective date for the generic program so that it applies to "any borrower \* \* \*." This will include students who have taken out loans before the bill became law. The effective date needs to be changed so that the generic loan cancellation is available for existing student borrowers, not just to new borrowers.

Second, the bill would expand the loans covered by the generic Stafford cancellation program. As enacted into law the 1992 amendments provide for Stafford loan cancellation only for Stafford loans "incurred by the student borrower during such borrower's last 2 years of undergraduate education \* \* \*." This limitation reduces the effectiveness of the incentive. For the generic program the bill would cover any loans of the borrower.

Third, the bill would provide a progressive rate of cancellation for the generic Stafford loan cancellation program. The 1992 amendments provide for cancellation under the following schedule: 15 percent for first year of service, 15 percent for second year, 20 percent for third year and 30 percent for fourth year. This schedule should be changed to provide a clear incentive for long-term service. The bill provides for loan cancellation under the generic program under the following schedule: 15 percent for first year of service, 20 percent for second year, 25 percent for third year and 30 percent for fourth year.

Fourth, the bill would enact a parallel Perkins loan cancellation incentive. It is ironic that the 1992 amendments enacted a loan cancellation program for Stafford loans but not for

Perkins loans. This bill would enact an amendment to the Higher Education Act to establish a similar generic loan cancellation program for Perkins loans with an immediate effective date. This would mean that students who have both Stafford and Perkins loans would not be caught with conflicting standards. And it would make the whole program more attractive for student borrowers. The terms for cancellation of Perkins loans would be the same as for the Stafford loan cancellation program.

Fifth and finally, the bill would make the generic Stafford loan cancellation program an entitlement. The 1992 amendments require it to be funded with annual appropriations.

I have made a request to the Congressional Budget Office to determine how much these amendments to the generic loan cancellation program would cost. I understand that it is not expensive.

In addition to securing enactment of these modest changes in the 1992 amendments loan cancellation incentive, President Clinton can immediately ensure that the Department of Education fully implements the loan cancellation program and publicize the existence of the incentive.

President Clinton should direct his Secretary of Education to issue regulations that fully and fairly implement the loan cancellation incentives. Over the past 12 years the Department of Education has systematically sabotaged the existing generic loan deferment. I sent a detailed letter to Secretary of Education Alexander on December 7, 1992, outlining critical issues to be addressed in the regulations to implement the 1992 Higher Education Act Amendments.

Finally, President Clinton should direct the new Education Department Secretary to organize a major program to publicize the Stafford—and then the Perkins—loan cancellation program(s). This publicity program should be coordinated with the Commission on National and Community Service, which might fund a nonprofit organization to coordinate the publicity campaign. This campaign could involve the national associations of college student financial assistant employees, college career placement employees, student body presidents, student newspaper editors, and associations of nonprofit community service organizations. It could focus on informing students of the loan cancellation incentives and of available service opportunities that would qualify for loan cancellation. It could help nonprofit organizations establish service opportunities that would qualify for loan cancellation.

#### IMMEDIATE ACTION

President Clinton is looking for what he can do immediately to implement his pledge on the national service issue. I have provided here the legislation we can enact immediately to im-

plement his loan cancellation proposal and look forward to working with him on the national service trust.●

By Mr. PRYOR (for himself, Mr. PACKWOOD, Mr. BOREN, Mr. COHEN, Mr. GLENN, Mr. BRYAN, Mr. CONRAD, and Mr. LEAHY):

S. 241. A bill to provide incentives to health care providers serving rural areas, to provide grants to county health departments providing preventive health services within rural areas, to establish State health service corps demonstration projects, and for other purposes; to the Committee on Finance.

By Mr. PRYOR (for himself, Mr. GLENN, Mr. BRYAN, and Mr. COHEN):

S. 242. A bill to amend title XVIII of the Social Security Act to require the Secretary of Health and Human Services to consult with State medical societies in revising the geographic adjustments factors used to determine the amount of payment for physicians' services under part B of the Medicare Program, to require the Secretary to base geographic cost-of-practice indices under the program upon the most recent available data, and for other purposes; to the Committee on Finance.

By Mr. PRYOR (for himself, Mr. ROCKEFELLER, and Mr. BOREN):

S. 243. A bill to amend title XVIII of the Social Security Act to extend the provision relating to Medicare-dependent, small rural hospitals, and for other purposes; to the Committee on Finance.

#### HEALTH CARE LEGISLATION

● Mr. PRYOR. Mr. President, I am pleased to introduce three bills today that would help improve the access of residents of rural areas to needed health care services. The bills are: the "Medicare Dependent Hospital Relief Act of 1993;" the Medicare Geographic Data Accuracy Act of 1993; and the Rural Primary Care Act of 1993.

I am joined by Senators BOREN and ROCKEFELLER in introducing the Medicare Dependent Hospital Relief Act of 1993. This legislation would extend and modify a provision included in OBRA 1989 that grants a modified payment status to small, rural Medicare dependent hospitals; that is, those rural hospitals which are under 100 beds and have at least 60 percent of their patient days paid for by Medicare.

Since the implementation of the Medicare Prospective Payment System [PPS], rural hospitals have fared poorly. Medicare dependent hospitals [MDH's] have been particularly hard-hit by PPS. Hospitals eligible for this assistance have lower average operating margins than their nonhigh Medicare counterparts. It has become clear that the higher the proportion of Medicare patients served, the lower the operating margin. These hospitals are

disadvantaged because they are more vulnerable to payment inaccuracies, and less able to revenue shift to other payers to make up for shortfalls in Medicare reimbursement. Their Medicare patients also tend to be older; in fiscal year 1989, 36 percent of high Medicare hospitals' Medicare patients were age 80 or older, compared to only 29 percent for nonhigh Medicare hospitals.

In 1989, I authored a provision, later incorporated into OBRA 1989, to provide some modest, short-term, 3 years, relief to financially vulnerable rural hospitals who were serving disproportionate numbers of Medicare patients. Last year, I introduced S. 2400, which would have extended the provision until March 1995; a modified version of that legislation was included in H.R. 11, which was later vetoed by President Bush. Under the Medicare Dependent Hospital Relief Act of 1993, for discharges occurring on or before April 1993 current MDH payments apply. For discharges after that date through September 30, 1994—when the urban-rural payment differential under Medicare's Prospective Payment System is eliminated—a blended rate of 50 percent of the difference between their payment under current MDH rules and the payment regularly provided under PPS applies.

An estimated 514 hospitals, or about 20 percent of rural hospitals, are designated as Medicare-dependent hospitals, with about 20 in my home State of Arkansas. The OBRA 1989 provision began to expire April 1, 1992; as a result, there are many hospitals who desperately need their MDH status extended as soon as possible. I urge my colleagues to join me in supporting this legislation.

The Medicare Geographic Data Accuracy Act of 1993, which was also included in H.R. 11, would reverse the Department of Health and Human Service's [HHS's] current practice of using old data in calculating the differences in the costs of medical practice across the country for use in the Medicare part B fee schedule.

Although a goal of the Medicare Physician Payment Reform Act included in OBRA 89 was to even out some of the geographic differences in reimbursement, large discrepancies remain. Generally, the localities which have received the highest practice expense values are in the urban areas. The lowest practice expense values are largely in rural areas.

For example, physicians in my home State of Arkansas will be paid less than 90 percent of the national average payment for their services while doctors in Los Angeles will be paid over 110 percent of the national average. By requiring HHS to use accurate and updated data to calculate the Geographic Practice Cost Indices [GPCI's], this bill would take a small step toward ad-

ressing the geographic inequities in Medicare reimbursement for physicians.

OBRA 89 instructed the Secretary of HHS to develop indices for work, practice expenses and malpractice expenses. Evidently, because of budget constraints, HHS decided to use only readily available data. Many physicians in my home State of Arkansas have voiced concerns about the data used by HHS. My legislation will address the concerns about the data used by HHS. It will require HHS to use current, accurate, and regularly updated data when computing the GPCI's. Also, it will require HHS to consult with State medical societies in revising the geographic adjustment factors.

I know this issue also concerns many other Members, and I look forward to working with them to address the problems faced by doctors in Arkansas and elsewhere. Mr. President, I urge the rest of my colleagues to join us as cosponsors and in ensuring that these proposals are enacted into law.

Finally, I am joined by Senators PACKWOOD, COHEN, BOREN, GLENN, BRYAN, CONRAD, and LEAHY in introducing the Rural Primary Care Act of 1993 to address the maldistribution and shortage of rural health care personnel. The shortage of primary care health personnel is a critical factor threatening the survival and effectiveness of rural health care services. Despite increased numbers of physicians, it continues to be difficult to impossible to attract needed physicians to medically underserved and remote rural areas. Recent studies have documented a great need for doctors in rural areas. In 1988, physician availability in rural counties was less than one-half the national average—97 physicians/100,000 people versus 225 physicians/100,000 people.

Adding to this problem, a recent survey of rural physicians found that as many as 26 percent of rural physicians were considering retirement or relocation within the next 5 years. Also in 1988, 111 rural counties had no practicing physician at all. In contrast, no metropolitan county lacked a physician. With this maldistribution, practitioners such as nurse practitioners and physician assistants become even more important to the provision of care in these areas. However, in recent years, the proportion of nurse practitioners in rural areas has decreased. Evidence suggests a similar decrease of physicians in rural areas.

This bill attempts to begin to address rural personnel shortages through the use of modest tax incentives, preventive health care grants and grants for 10 State demonstration projects to promote training and recruitment. Specifically, the bill would provide qualified primary care physicians, nurse practitioners and physician assistants who are practicing in rural areas in

class 1 and 2 Health Professional Shortage Areas [HPSAs] a tax credit for 3 years based on a 5-year service incentive. It would eliminate the taxable status of funds given to physicians through the National Health Service Corps Loan Repayment Program. Additionally, this legislation would mandate studies to determine the feasibility of extending the tax benefit to practitioners in medically underserved urban areas.

In the past, HPSA's have relied on the recruiting and placement efforts of the National Health Service Corps [NHSC]. The NHSC, which has proven to be the breeding ground for HPSA primary care providers, employs scholarship and loan forgiveness programs as recruitment tools. The legislation we will be introducing complements the Corps' efforts to place physicians in underserved areas. In the past, scholarship physicians have tended to leave the areas they were practicing after they had fulfilled their obligation. A substantive tax credit has potential to encourage many of them to stay on or come back to the HPSA.

I urge my colleagues to join me in co-sponsoring these three bills which would have an enormous impact on the ability of rural residents to have the health care they need and deserve.

I ask unanimous consent that a copy of all three bills be printed in the RECORD after the conclusion of my remarks.

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

S. 241

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Rural Primary Care Act of 1993".

#### TITLE I—TAX PROVISIONS

##### SEC. 101. NONREFUNDABLE CREDIT FOR CERTAIN PRIMARY HEALTH SERVICES PROVIDERS.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 25 the following new section:

##### "SEC. 25A. PRIMARY HEALTH SERVICES PROVIDERS.

"(a) ALLOWANCE OF CREDIT.—In the case of a qualified primary health services provider, there is allowed as a credit against the tax imposed by this chapter for any taxable year in a mandatory service period an amount equal to the product of—

"(1) the lesser of—

"(A) the number of months of such period occurring in such taxable year, or

"(B) 36 months, reduced by the number of months taken into account under this paragraph with respect to such provider for all preceding taxable years (whether or not in the same mandatory service period), multiplied by

"(2) \$1,000 (\$500 in the case of a qualified health services provider who is a physician assistant or a nurse practitioner).

"(b) QUALIFIED PRIMARY HEALTH SERVICES PROVIDER.—For purposes of this section, the term 'qualified primary health services provider' means any physician, physician assistant, or nurse practitioner who for any month during a mandatory service period is certified by the Bureau to be a primary health services provider who—

"(1) is providing primary health services—

"(A) full time, and

"(B) to individuals at least 80 percent of whom reside in a rural health professional shortage area,

"(2) is not receiving during such year a scholarship under the National Health Service Corps Scholarship Program or a loan repayment under the National Health Service Corps Loan Repayment Program,

"(3) is not fulfilling service obligations under such Programs, and

"(4) has not defaulted on such obligations.

"(c) MANDATORY SERVICE PERIOD.—For purposes of this section, the term 'mandatory service period' means the period of 60 consecutive calendar months beginning with the first month the taxpayer is a qualified primary health services provider.

"(d) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) BUREAU.—The term 'Bureau' means the Bureau of Health Care Delivery and Assistance, Health Resources and Services Administration of the United States Public Health Service.

"(2) PHYSICIAN.—The term 'physician' has the meaning given to such term by section 1861(r) of the Social Security Act.

"(3) PHYSICIAN ASSISTANT; NURSE PRACTITIONER.—The terms 'physician assistant' and 'nurse practitioner' have the meanings given to such terms by section 1861(aa)(5) of the Social Security Act.

"(4) PRIMARY HEALTH SERVICES PROVIDER.—The term 'primary health services provider' means a provider of primary health services (as defined in section 330(b)(1) of the Public Health Service Act).

"(5) RURAL HEALTH PROFESSIONAL SHORTAGE AREA.—The term 'rural health professional shortage area' means—

"(A) a class 1 or class 2 health professional shortage area (as defined in section 332(a)(1)(A) of the Public Health Service Act) in a rural area (as determined under section 1866(d)(2)(D) of the Social Security Act), or

"(B) an area which is determined by the Secretary of Health and Human Services as equivalent to an area described in subparagraph (A) and which is designated by the Bureau of the Census as not urbanized.

"(e) RECAPTURE OF CREDIT.—

"(1) IN GENERAL.—If, during any taxable year, there is a recapture event, then the tax of the taxpayer under this chapter for such taxable year shall be increased by an amount equal to the product of—

"(A) the applicable percentage, and

"(B) the aggregate unrecaptured credits allowed to such taxpayer under this section for all prior taxable years.

"(2) APPLICABLE RECAPTURE PERCENTAGE.—

"(A) IN GENERAL.—For purposes of this subsection, the applicable recapture percentage shall be determined from the following table:

"If the recapture event occurs during:	The applicable recapture percentage is:
Months 1-24 .....	100
Months 25-36 .....	75
Months 37-48 .....	50
Months 49-60 .....	25
Months 61 and thereafter .....	0.

"(B) TIMING.—For purposes of subparagraph (A), month 1 shall begin on the first day of the mandatory service period.

"(3) RECAPTURE EVENT DEFINED.—

"(A) IN GENERAL.—For purposes of this subsection, the term 'recapture event' means the failure of the taxpayer to be a qualified primary health services provider for any month during any mandatory service period.

"(B) CESSATION OF DESIGNATION.—The cessation of the designation of any area as a rural health professional shortage area after the beginning of the mandatory service period for any taxpayer shall not constitute a recapture event.

"(C) SECRETARIAL WAIVER.—The Secretary may waive any recapture event caused by extraordinary circumstances.

"(4) NO CREDITS AGAINST TAX.—Any increase in tax under this subsection shall not be treated as a tax imposed by this chapter for purposes of determining the amount of any credit under subpart A, B, or D of this part."

(b) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 25 the following new item:

"Sec. 25A. Primary health services providers."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1993.

##### SEC. 102. NATIONAL HEALTH SERVICE CORPS LOAN REPAYMENTS EXCLUDED FROM GROSS INCOME.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by redesignating section 137 as section 138 and by inserting after section 136 the following new section:

##### "SEC. 137. NATIONAL HEALTH SERVICE CORPS LOAN REPAYMENTS.

"(a) GENERAL RULE.—Gross income shall not include any qualified loan repayment.

"(b) QUALIFIED LOAN REPAYMENT.—For purposes of this section, the term 'qualified loan repayment' means any payment made on behalf of the taxpayer by the National Health Service Corps Loan Repayment Program under section 338B(g) of the Public Health Service Act."

(b) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by striking the item relating to section 137 and inserting the following:

"Sec. 137. National Health Service Corps loan repayments.

"Sec. 138. Cross references to other Acts."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to payments made under section 338B(g) of the Public Health Service Act after the date of the enactment of this Act.

##### SEC. 103. EXPENSING OF MEDICAL EQUIPMENT.

(a) IN GENERAL.—Section 179 of the Internal Revenue Code of 1986 (relating to election to expense certain depreciable business assets) is amended—

(1) by striking paragraph (1) of subsection (b) and inserting the following:

"(1) DOLLAR LIMITATION.—

"(A) GENERAL RULE.—The aggregate cost which may be taken into account under subsection (a) for any taxable year shall not exceed \$10,000.

"(B) RURAL HEALTH CARE PROPERTY.—In the case of rural health care property, the

aggregate cost which may be taken into account under subsection (a) for any taxable year shall not exceed \$25,000, reduced by the amount otherwise taken into account under subsection (a) for such year." and

(2) by adding at the end of subsection (d) the following new paragraph:

"(11) RURAL HEALTH CARE PROPERTY.—For purposes of this section, the term 'rural health care property' means section 179 property used by a physician (as defined in section 1861(r) of the Social Security Act) in the active conduct of such physician's full-time trade or business of providing primary health services (as defined in section 330(b)(1) of the Public Health Service Act) in a rural health professional shortage area (as defined in section 25A(d)(5))."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 1993, in taxable years ending after such date.

#### SEC. 104. STUDY OF EXPANSION OF CREDIT TO CERTAIN URBAN AREAS.

(a) STUDY.—The Secretary of Health and Human Services or the Secretary's delegate shall determine the present number of, and future need for, physician and nonphysician primary care providers in medically underserved urban areas. Such determination shall form the basis for a study of the feasibility (including cost estimates) of extending the tax credit provided by the amendments made by section 101 of this title to such providers.

(b) REPORTS.—An interim report of the study described in paragraph (1) shall be submitted by the Secretary of Health and Human Services to the Congress 1 year after the date of the enactment of this Act. A final report of such study shall be submitted to the Congress within 2 years of such date of enactment.

### TITLE II—PUBLIC HEALTH SERVICE PROVISIONS

#### SEC. 201. PREVENTATIVE HEALTH SERVICES.

Part A of title XIX of the Public Health Service Act (42 U.S.C. 300w et seq.) is amended—

(1) in section 1901, by adding at the end thereof the following new subsection:

"(c) Of the amounts appropriated for each fiscal year under subsection (a), the Secretary shall make available not less than \$5,000,000 in each such fiscal year to carry out section 1910A." and

(2) by adding at the end thereof the following new section:

#### "SEC. 1910A. PREVENTATIVE GRANTS FOR COUNTY HEALTH DEPARTMENTS.

"(a) IN GENERAL.—From amounts made available under section 1901(c), the Secretary shall make grants to county health departments to enable such departments to provide preventative health services in areas within the county which the Bureau of the Census determines to be not urbanized.

"(b) APPLICATION.—To be eligible to receive a grant under subsection (a), a county health department shall prepare and submit, to the Secretary, an application at such time, in such form, and containing such information as the Secretary shall require.

"(c) USE OF FUNDS.—A county health department shall use amounts provided through a grant received under this section to—

"(1) provide immunization services to control the spread of infectious diseases;

"(2) improve maternal and infant health;

"(3) reduce adolescent pregnancy and improve reproductive health; and

"(4) provide such other services as the Secretary determines appropriate.

"(d) DEFINITION.—Not later than 30 days after the date of enactment of this section,

the Secretary shall promulgate regulations that define 'county health department' for purposes of this section."

### TITLE III—STATE HEALTH SERVICE CORPS DEMONSTRATION PROJECTS

#### SEC. 301. SHORT TITLE.

This title may be cited as the "State Health Service Corps Demonstration Act".

#### SEC. 302. PURPOSE.

It is the purpose of this title—

(1) to promote recruitment and training of physicians and other primary care providers from among the poor and from disadvantaged populations;

(2) to place physicians from health professional shortage areas into similar areas in order to encourage retention of physicians in health professional shortage areas; and

(3) to provide flexibility to States in filling positions in health professional shortage areas.

#### SEC. 303. STATE HEALTH SERVICE CORPS DEMONSTRATION PROJECTS.

The Public Health Service Act is amended by inserting after section 338L (42 U.S.C. 254t) the following new sections:

#### "SEC. 338M. STATE HEALTH SERVICE CORPS DEMONSTRATION PROJECTS.

"(a) DEFINITIONS.—For purposes of this section:

"(1) AREA HEALTH EDUCATION CENTER.—The term 'area health education center' means—

"(A) a cooperative program of one or more medical schools (or the parent institutions of such schools) and one or more nonprofit private or public area health education centers; or

"(B) a regional or statewide network of the cooperative programs described in subparagraph (A).

"(2) HEALTH PROFESSIONAL SHORTAGE AREA.—The term 'health professional shortage area' has the meaning provided in section 332(a)(1).

"(3) MEDICAL SCHOOL.—The term 'medical school' means a school conferring the degree of Doctor of Medicine or Doctor of Osteopathy.

"(4) NONPHYSICIAN PROVIDER.—The term 'nonphysician provider' means an occupational therapist, physical therapist, nurse, nurse midwife, nurse practitioner, social worker, or optometrist.

"(5) NURSE.—The term 'nurse' means a registered nurse, or an individual with a baccalaureate or master's degree in nursing.

"(6) PARENT INSTITUTION.—The term 'parent institution' means any health sciences university housing a medical school and one or more other health professions schools.

"(7) PHYSICIAN PROVIDER.—The term 'physician provider' means—

"(A) a physician specializing in general practice, family medicine, general internal medicine, pediatrics, obstetrics and gynecology, general surgery, psychiatry, preventive medicine and public health, or psychiatry; or

"(B) a dentist.

"(8) PROJECT.—The term 'Project' means a State Health Service Corps Demonstration Project established under subsection (b).

"(9) SERVICE AREA.—The term 'service area' means an area designated in subsection (d)(2)(A).

"(b) GRANTS.—The Secretary shall establish a State Health Service Corps Demonstration Project under which the Secretary shall make grants to up to 10 States to pay for the Federal share of the costs of conducting Projects for the training and employment of eligible participants as physician and nonphysician providers serving health professional shortage areas.

#### "(c) STATE PARTICIPATION.—

"(1) REQUIREMENTS.—In order for a State to be eligible to receive a grant under this section, the State shall—

"(A) enter into an agreement with an area health education center to administer the Project in accordance with subsection (d);

"(B) provide for evaluation of the Project in accordance with subsection (e);

"(C) establish a State Health Service Corps Scholarship Program in accordance with section 338N; and

"(D) meet such other requirements as the Secretary may establish for the proper and efficient implementation of the Project.

"(2) GRANT AWARDS.—In allocating grants under subsection (b), the Secretary shall give priority to States that have demonstrated a commitment to developing and funding area health education center programs.

"(3) APPLICATION.—To be eligible to receive a grant under this section, the State shall submit an application at such time, in such manner and containing such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section. At a minimum, the application shall contain—

"(A) information specifying the actions the State will take against individuals, and the methods the State will use to recover all funds paid under section 338N(i) to individuals, who breach contracts described in section 338N(g); and

"(B) assurances that the State will reimburse the Secretary for all funds recovered from individuals who breach contracts described in section 338N(g).

"(4) DURATION.—A Project under this section shall be for a maximum duration of 8 years, plus up to 6 months for final evaluation and reporting.

#### "(d) STATE AGREEMENTS WITH AREA HEALTH EDUCATION CENTERS.—

"(1) IN GENERAL.—To be eligible for a grant under this section, a State shall enter into an agreement with an area health education center for the planning, development, and operation of a program to train and employ eligible participants as physician and nonphysician providers.

"(2) REQUIREMENTS.—Under an agreement entered into under paragraph (1), an area health education center shall agree to—

"(A) designate a health professional shortage area or areas as the service area for the area health education center;

"(B) provide for or conduct training in health education services in the service area;

"(C) assess the health professional needs of the service area and assist in the planning and development of training programs to meet the needs;

"(D) provide for or conduct a rotating internship or residency training program in the service area;

"(E) provide opportunities for continuing education to physician and nonphysician providers practicing within the service area;

"(F) conduct interdisciplinary training and practice involving physician and nonphysician providers in the service area;

"(G) arrange and support educational opportunities for students studying to become physician or nonphysician providers at health facilities, ambulatory care centers, and health agencies throughout the service area;

"(H) provide for the active participation in the Project by individuals who are associated with the administration of the sponsoring health professions and each of the departments or specialties of physician or nonphysician providers (if any) which are offered under the Project; and

"(I) have an advisory board of which at least 75 percent of the members shall be individuals, including both health service providers and consumers, from the service area.

"(e) EVALUATION.—Not later than March 30, 1998, and March 30, 2002, each State receiving a grant under this section shall, through grants to or contracts with public and private entities, provide for—

"(1) an evaluation of Projects—

"(A) which were carried out pursuant to this section during any fiscal year preceding the fiscal year in which such date occurs, and

"(B) for which no prior evaluation under this subsection was made, and

"(2) a review of the area health education center providing services under the Projects. The evaluation shall include an evaluation of the effectiveness of the Projects in increasing the recruitment and retention of physician and nonphysician providers in health professional shortage areas.

"(f) FEDERAL SHARE.—The Federal share of the costs of any program established under this section with respect to any State shall be the percentage of such costs equal to the Federal medical assistance percentage applicable to such State under section 1905(b) of the Social Security Act. The State may include as a part or all of the non-Federal share of grants—

"(1) any State funds supporting area health education centers, and

"(2) the value of in-kind contributions made by the State, including tuition remission and other benefits for students participating in the State Health Service Corps Scholarship Program established under section 338N.

"(g) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated for each of the 1994 through 2001 fiscal years to carry out the purposes of this section an amount equal to the product of—

"(A) \$250,000, multiplied by

"(B) the number of States receiving grants under this section for such fiscal year.

Any amount appropriated under this section shall be available without fiscal year limitation.

"(2) COST RECOVERY.—No more than 10 percent of the funds spent under paragraph (1) may be used for purposes of recovering funds or taking other action against individuals who breach the provisions of a contract entered into under section 338N(g).

**"SEC. 338N. STATE HEALTH SERVICE CORPS SCHOLARSHIP PROGRAMS.**

"(a) DEFINITIONS.—For purposes of this section:

"(1) AREA HEALTH EDUCATION CENTER.—The term 'area health education center' means—

"(A) a cooperative program of one or more medical schools (or the parent institutions (as defined in section 338M(a)(6)) of such schools) and one or more nonprofit private or public area health education centers; or

"(B) a regional or statewide network of the cooperative programs described in subparagraph (A).

"(2) GRADUATE EDUCATION.—The term 'graduate education' means a course of study at a medical school or other health professions school leading to a degree in a field practiced by a physician or nonphysician provider.

"(3) HEALTH PROFESSIONAL SHORTAGE AREA.—The term 'health professional shortage area' has the meaning provided in section 332(a)(1).

"(4) MEDICAL SCHOOL.—The term 'medical school' means a school conferring the degree

of Doctor of Medicine or Doctor of Osteopathy.

"(5) NONPHYSICIAN PROVIDER.—The term 'nonphysician provider' means an occupational therapist, physical therapist, nurse, nurse midwife, nurse practitioner, social worker, or optometrist.

"(6) NURSE.—The term 'nurse' means a registered nurse, or an individual with a baccalaureate or master's degree in nursing.

"(7) PHYSICIAN PROVIDER.—The term 'physician provider' means—

"(A) a physician specializing in family medicine, general internal medicine, pediatrics, obstetrics and gynecology, general surgery, psychiatry, preventive medicine, or psychiatry; or

"(B) a dentist.

"(8) PROGRAM.—The term 'Program' means a State Health Service Corps Scholarship Program established under subsection (b).

"(9) SERVICE AREA.—The term 'service area' means an area designated in section 338M(d)(2)(A).

"(10) STATE OFFICIAL.—The term 'State official' means an individual designated by the head of the agency designated in subsection (b)(2) to carry out the Program in the State.

"(11) UNDERGRADUATE EDUCATION.—The term 'undergraduate education' means a course of study at a health sciences university or a 4-year college that affords an appropriate basis for professional training or graduate education to become a physician or nonphysician provider.

"(b) ESTABLISHMENT.—

"(1) IN GENERAL.—Each State carrying out a State Health Services Corps Demonstration Project established under section 338M shall establish a State Health Service Corps Scholarship Program, in accordance with this section, to ensure an adequate supply of trained physician or nonphysician providers in health professional shortage areas in the State.

"(2) STATE AGENCY.—A State participating in the Program shall designate a State agency to administer or be responsible for the administration of the Program within the State.

"(c) ELIGIBILITY.—To be eligible to participate in the Program, an individual must—

"(1)(A) be accepted for enrollment, or be enrolled, as a full-time student in a health professions program in a health sciences university or a 4-year college; or

"(B) be accepted to participate in, or be participating in, a professional internship or residency as preparation to become a physician or nonphysician provider;

"(2) reside within a health professional shortage area;

"(3) submit an application to participate in the Program; and

"(4) sign and submit to the State, at the time of submission of the application, a written contract containing the information specified in subsection (g) to accept payment of a scholarship and, if appropriate, of loans, and to serve in the service area.

"(d) SELECTION.—Individuals described in subsection (c)(1)(B)—

"(1) shall comprise not more than 50 percent of all individuals selected to participate in the Program during fiscal year 1994;

"(2) shall comprise not more than 40 percent of all individuals selected to participate in the Program during fiscal year 1995;

"(3) shall comprise not more than 30 percent of all individuals selected to participate in the Program during fiscal year 1996;

"(4) shall comprise not more than 20 percent of all individuals selected to participate in the Program during fiscal year 1997;

"(5) shall comprise not more than 10 percent of all individuals selected to participate in the Program during fiscal year 1998; and

"(6) shall not be selected to participate in the Program during fiscal years 1999 through 2001.

"(e) INFORMATION ON SERVICE OBLIGATION.—In disseminating application forms and contract forms to individuals desiring to participate in the Program, the State official shall include with the forms—

"(1) a fair summary of the rights and liabilities of an individual whose application is approved (and whose contract is accepted) by the State official, including in the summary a clear explanation of the remedies to which the State is entitled in the case of breach of the contract by the individual; and

"(2) such information as may be necessary for the individual to understand the prospective participation of the individual in the Program and the service obligation of the individual.

"(f) APPLICATION FORMS.—The application form, contract form, and all other information furnished by the Secretary under this section shall be written in a manner calculated to be understood by the average individual applying to participate in the Program. The State official shall make the application forms, contract forms, and other information available to individuals desiring to participate in the Program on a date sufficiently early to ensure that the individuals have adequate time to carefully review and evaluate the forms and information.

"(g) CONTRACT.—The written contract between the State official and an individual shall contain—

"(1) a statement that the State official agrees—

"(A) to provide the individual with a scholarship for a period of up to 8 years, during which period the individual is—

"(i) pursuing an undergraduate education described in subsection (a)(11);

"(ii) pursuing graduate education; or

"(iii) participating in an internship or residency program as preparation to become a physician or nonphysician provider; and

"(B) to place the individual into obligated service, taking into account the specialization of the individual and the needs of health professional shortage areas for service, in—

"(i) a rural health professional shortage area, if the individual resided in a rural health professional shortage area at the time of acceptance into the Program; or

"(ii) an urban health professional shortage area, if the individual resided in an urban health professional shortage area at the time of acceptance into the Program;

"(2) a statement that the individual agrees—

"(A) to accept provision of the scholarship, and if appropriate, loans, to the individual;

"(B) to maintain enrollment in a program of undergraduate or graduate education or participation in an internship or residency described in subsection (c)(1)(B) until the individual completes the program, internship, or residency;

"(C) while enrolled in a program of undergraduate or graduate education, to maintain an acceptable level of academic standing (as determined under regulations of the State by the educational institution offering the course of study); and

"(D) to serve in the service area or on the clinical staff of the area health education center or the medical school for a time period equal to the shorter of—

"(i) 1 year for each year in which the individual received a scholarship under the Program; and

"(II) 1 month for each \$1,000 in loans that the individual received under the Program; or

"(ii) 6 years;

"(3) a statement of the damages to which the State is entitled for breach of contract by the individual; and

"(4) other statements of the rights and liabilities of the State and of the individual, not inconsistent with this section.

"(h) ACCEPTANCE.—

"(1) APPROVAL.—An individual shall become a participant in the Program only on approval by the State official of the application submitted by the individual under subsection (c)(3) and acceptance of the contract submitted by the individual under subsection (c)(4).

"(2) NOTIFICATION.—The State official shall provide written notice to an individual of participation in the Program promptly on acceptance of the individual into the Program.

"(i) SCHOLARSHIP AND LOANS.—

"(1) PAYMENT.—In providing a loan to an individual under subsection (g)(1)(A) or a scholarship to an individual under subsection (g)(1)(B), the State official shall pay—

"(A) to an individual undertaking a program of undergraduate or graduate education, or on behalf of the individual in accordance with paragraph (2)—

"(i) the amount of the tuition of the individual in the school year;

"(ii) the amount of all other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by the individual in the school year; and

"(iii) a stipend; and

"(B) to an individual described in subsection (c)(1)(B)—

"(i) the amount of expenses for medical equipment necessary to the practice of a physician or nonphysician provider;

"(ii) the amount of expenses for travel to and from clinical sites; and

"(iii) a stipend.

"(2) PAYMENT TO AN EDUCATIONAL INSTITUTION.—The State official may contract with an educational institution, in which a participant in the Program is enrolled, for the payment to the educational institution of the amounts of tuition and other reasonable educational expenses described in clauses (i) and (ii) of paragraph (1)(A).

"(j) REPORT.—The State official shall report to the Secretary on January 1 of each year—

"(1) the number, and type of health profession training, of students receiving scholarships under the Program in the preceding year;

"(2) the educational institutions at which the students are receiving their training;

"(3) the number of applications filed under this section in the school year in the preceding year and in prior school years; and

"(4) the amount of tuition paid in the aggregate and at each educational institution for the school year in the preceding year and in prior school years."

S. 242

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Medicare Geographic Data Accuracy Act of 1993".

**SEC. 2. IMPROVING ACCURACY OF GEOGRAPHIC ADJUSTMENTS USED TO DETERMINE PAYMENT FOR PHYSICIANS' SERVICES UNDER MEDICARE.**

(4) REQUIRING CONSULTATION WITH STATE MEDICAL SOCIETIES IN REVISION OF GEOGRAPHIC ADJUSTMENT FACTORS.—Section 1848(c)(1)(C) of the Social Security Act (42 U.S.C. 1395w-4(e)(1)(C)) is amended by striking "may revise" and inserting "shall, in consultation with each State medical society (or other appropriate organization representing the majority of the physicians who practice in a State), revise".

(b) BASING GEOGRAPHIC-COST-OF-PRACTICE INDICES ON MOST RECENT AVAILABLE DATA.—

(1) IN GENERAL.—Section 1848(e)(1) of such Act (42 U.S.C. 1395w-4(e)(1)) is amended—

(A) by redesignating subparagraph (C) as subparagraph (D); and

(B) by inserting after subparagraph (B) the following new subparagraph:

"(C) DATA USED TO DETERMINE INDICES.—In establishing indices under subparagraph (A), the Secretary shall use the most recent available data relating to practice expenses, malpractice expenses, and physicians' work effort in the different fee schedule areas, and shall obtain and review the data in consultation with each State medical society (or other appropriate organization representing the majority of the physicians who practice in a State)."

(2) CONFORMING AMENDMENT.—Section 1848(e)(1)(A) of such Act (42 U.S.C. 1395w-4(e)(1)(A)) is amended in the matter preceding clause (i) by striking "and (C)" and inserting "and (D)".

**SEC. 3. EFFECTIVE DATE.**

The amendments made by section 2 shall apply to payments for physicians' services furnished on or after January 1, 1994.

S. 243

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. MEDICARE-DEPENDENT, SMALL RURAL HOSPITALS.**

(a) IN GENERAL.—Section 1886(d)(5)(G) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(G)) is amended—

(1) by amending clause (i) to read as follows:

"(i) In the case of a subsection (d) hospital which is a medicare-dependent, small rural hospital, payment under paragraph (1)(A) for discharges occurring before October 1, 1994, shall be—

"(I) for any cost reporting period beginning on or after April 1, 1990, and before April 1, 1993, the amount determined under clause (ii); and

"(II) for any cost reporting period beginning on or after April 1, 1993, the amount determined under clause (ii) by substituting '50 percent' for '100 percent'";

(2) by redesignating clauses (ii) and (iii) as clauses (iii) and (iv), respectively; and

(3) by inserting after clause (i) the following new clause:

"(ii) The amount determined under this clause is the sum of—

"(I) the amount determined under paragraph (1)(A)(iii), and

"(II) 100 percent of the excess (if any) of—

"(aa) the hospital's target amount for the cost reporting period, as defined in subsection (b)(3)(D), over

"(bb) the amount determined under paragraph (1)(A)(iii)."

(b) PERMITTING HOSPITALS TO DECLINE RECLASSIFICATION.—If any hospital fails to qualify as a medicare-dependent, small rural

hospital under section 1886(d)(5)(G)(i) of the Social Security Act as a result of a decision by the Medicare Geographic Classification Review Board under section 1886(d)(10) of such Act to reclassify the hospital as being located in an urban area for fiscal year 1993, the Secretary of Health and Human Services shall—

(1) notify such hospital of such failure to qualify.

(2) provide an opportunity for such hospital to decline such reclassification, and

(3) if the hospital declines such reclassification, administer the Social Security Act (other than section 1886(d)(8)(D) of such Act) for fiscal year 1993 as if the decision by the Review Board had not occurred.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.●

By Mr. KENNEDY (for himself, Mr. JEFFORDS, Mr. DODD, Mr. METZENBAUM, Mr. DECONCINI, Mr. SIMON, Mr. HARKIN, Mr. KERRY, Mr. BRADLEY, Mr. KOHL, Mr. INOUE, Mr. WELLSTONE, Ms. MIKULSKI, Mr. PELL, and Mr. MCCAIN):

S. 244. A bill to stimulate enterprise development in economically distressed urban and rural areas through public and private partnerships facilitated by community development corporations, and for other purposes; to the Committee on Labor and Human Resources.

**NATIONAL COMMUNITY ECONOMIC PARTNERSHIP ACT OF 1993**

Mr. KENNEDY, Mr. President, today, along with Senators JEFFORDS, KOHL, BRADLEY, MCCAIN, DECONCINI, PELL, INOUE, WELLSTONE, HARKIN, DODD, METZENBAUM, SIMON, MIKULSKI, and KERRY of Massachusetts, I am reintroducing the National Community Economic Partnership Act. This measure passed last Congress as part of the urban aid bill, but was vetoed by President Bush. This legislation provides an opportunity for the Federal Government to bring new jobs into our Nation's cities and rural areas and at the same time encourage private sector investment in our communities.

The downturn in the economy and the changing nature of the banking industry have made it difficult for small- and moderate-sized businesses to gain access to credit. Historically there has been a shortage of investment in rural areas and in inner cities, and this shortage has been aggravated by the effects of deregulation and bank mergers. Poor communities everywhere lack private sector investors who, on their own, are willing to invest in community development initiatives.

The National Community Economic Partnership Act is a response to the need for investment capital in small- and moderate-sized businesses in urban neighborhoods and rural areas. The legislation is intended to stimulate private sector investment in poor communities using community development corporations as a catalyst and a partner for investment.

There are currently over 2,000 CDC's operating in communities, both urban and rural, around the country. During the 1980's, in response to the crisis in affordable housing, many CDC's centered their work on planning, developing, and managing low- and moderate-income housing. The results are impressive; CDC's have developed more than 300,000 units of affordable housing. More recently, these CDC's have had to confront the problem of increasing poverty and unemployment in their community.

The act authorizes an investment partnership fund that CDC's can tap into to provide technical and financial assistance to private business enterprises that create jobs for low-income people. To expand the impact of these funds they must be used in conjunction with investments from private financial institutions, State and local government, and private, philanthropic organizations at a dollar per dollar match rate.

The act also provides funds to support emerging CDC's efforts in business development. As CDC's develop or existing ones expand their focus to include job and business development, the Partnership Act will provide seed money for business plans and access to a revolving loan fund to begin their efforts in small business development.

Because unemployment remains high, funds provided under the Partnership Act must meet a tough standard with regard to job creation. Business enterprises receiving investment funds must target at least 75 percent of their job opportunities to individuals who are low-income, unemployed, or receiving job training assistance.

CDC's have the interest and the expertise to carry out such an investment program. More than 300 CDC's have revolving fund and investment programs already. These organizations have provided financial assistance to more than 3,500 private business enterprises. Many others provide technical assistance for business development.

For example, in Massachusetts more than 50 CDC's have been involved in efforts, large and small, that have expanded business opportunities and created jobs. In Jamaica Plains, the Neighborhood Development Corp. redeveloped the massive and empty Haffenreffer brewery into an urban development park that created 28 new small businesses and 150 jobs. The facility is designed to create job opportunities for those who have suffered the most from the loss of good paying industrial or nonservice sector employment in the inner city—youth, minorities and recent immigrants. This multimillion-dollar effort could not have taken place without the effort and expertise of a CDC.

The Franklin County Community Development Corp. in Greenfield has assisted more than 90 local businesses in

obtaining loans, creating an estimated 350 jobs and leveraging nearly \$8 million in private investment in Franklin and Worcester Counties.

On a smaller scale, Nuestra Comunidad—Spanish for Our Community—in Boston is making microloans to existing small businesses that can not get funds elsewhere, in one case creating three new jobs for local residents at a party rental business.

In addition, funding from the Office of Community Services within the Department of Health and Human Services, and from the Farmers Home Administration within the Department of Agriculture has shown the potential for Community Development Corporations across the Nation. According to the most recent Federal report, CDC's working with about \$19 million in OCS funds leveraged over \$50 million in additional outside investment in poor communities and created more than 2,000 jobs.

In rural areas, the results are similar. A survey of 24 rural organizations found that \$17.6 in FmHA funds created close to 4,000 jobs and that for every dollar in public funds, CDC's leveraged \$3 to \$4 in additional outside investment. CDC's have used these funds to finance community facilities, supermarkets, and small businesses. The common thread for all these projects—urban or rural—regardless of the funding source, is the ability of CDC project to create new jobs and attract outside capital to economically disadvantaged communities. By strengthening CDC's, we strengthen communities, and promote a sense of independence and pride in their citizens.

When I first introduced this legislation in 1991, the need for the work of CDC's was already clear. Today, in light of the events in Los Angeles last spring and the continuing crisis in our cities, the need is greater than ever.

I want to thank Senators JEFFORDS, KOHL, BRADLEY, MCCAIN, DECONCINI, PELL, INOUE, WELLSTONE, HARKIN, DODD, METZENBAUM, SIMON, MIKULSKI, and KERRY of Massachusetts for joining me in sponsoring the National Community Economic Partnership Act of 1993. I urge the Senate to act quickly on this critically important piece of legislation.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

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

S. 244

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE; FINDINGS AND PURPOSE.**

(a) SHORT TITLE.—This Act may be cited as the "National Community Economic Partnership Act of 1993".

(b) FINDINGS.—Congress finds that—  
(1) the cities, towns, small communities and rural areas throughout the United

States face critical social and economic problems arising in part from a lack of economic growth in community based economies;

(2) the crisis facing local economies has resulted in—

(A) a growing percentage of the workforce earning poverty level wages, even though they work full time and year round;

(B) the percentage of the labor force living below the poverty line increasing from 25.7 percent in 1979 to 31.5 percent in 1987;

(C) population losses, rising unemployment and a decline of the farm sector and of many other rural industries (such as timber, oil, gas, and mining) contribute to the decline of rural economies;

(D) with respect to rural areas, 31.9 percent of the workforce falling below the poverty line in 1979, with that percentage rising to 42.1 percent in 1987;

(E) with respect to urban areas, 23.4 percent of the workforce falling below the poverty line in 1979, with that percentage rising to 28.9 percent in 1987; and

(F) the average wage and salary income of the 90 percent of the population with the lowest incomes, between 1977 and 1988, falling 3.5 percent in contrast to the richest 1 percent of the population whose incomes more than doubled in that time period.

(3) the future well-being of the United States and the well-being of its citizens depends on the establishment and maintenance of viable community development enterprises;

(4) meeting the goal of establishing and maintaining viable community development enterprises requires—

(A) increased public and private investment in business development activities, especially in the small business sector which generates the majority of new jobs as evidenced by the fact that between 1980 and 1986, enterprises with less than 100 employees accounted for more than 50 percent of the jobs created in the United States;

(B) increased investment and technical assistance to existing community based enterprises as evidenced by the fact that during the first half of the 1980's, more than 75 percent of the total net new jobs in the United States came from the expansion of existing businesses;

(C) a substantial expansion and greater continuity in the scope of Federal programs that support community based economic development strategies;

(D) the continuing efforts at Federal, State and local levels to coordinate the planning, implementation and evaluation of community economic development efforts; and

(5) community development corporations, due to their proven capacity and achievements in both the field of community based housing and economic development, are appropriate vehicles through which to advance a national community economic development program because—

(A) there are currently over 2000 community development corporations throughout the United States, operating projects that promote community based housing and economic development;

(B) community development corporations operate in every State and in virtually every major city in the United States, and account for many of the existing efforts undertaken to meet the needs of low income persons in both urban and rural communities;

(C) community development corporations have developed some 300,000 units of housing, with over 90 percent of these units for use by low income occupants;

(D) community development corporations have developed over 19,000,000 square feet of retail space, offices, industrial parks and other industrial developments in economically distressed communities;

(E) community development corporations have made loans to over 3000 enterprises, equity investments in 242 ventures and own and operate 427 businesses; and

(F) community development corporations commercial, industrial and business enterprise development activities have accounted for the creation and retention of nearly 90,000 jobs in the last five years.

(c) PURPOSE.—It is the purpose of this Act to stimulate enterprise development in economically distressed urban and rural areas through public and private partnerships facilitated by community development corporations.

#### TITLE I—COMMUNITY ECONOMIC PARTNERSHIP INVESTMENT FUNDS

##### SEC. 101. PURPOSE.

It is the purpose of this title to increase private investment in distressed local communities and to build and expand the capacity of local institutions to better serve the economic needs of local residents through the provision of financial and technical assistance to community development corporations.

##### SEC. 102. PROVISION OF ASSISTANCE.

(a) AUTHORITY.—The Secretary of Health and Human Services (hereafter referred to in this Act as the "Secretary") is authorized, in accordance with this title, to provide non-refundable lines of credit to community development corporations for the establishment, maintenance or expansion of revolving loan funds to be utilized to finance projects intended to provide business and employment opportunities for low-income, unemployed, or underemployed individuals and to improve the quality of life in urban and rural areas.

##### (b) REVOLVING LOAN FUNDS.—

(1) COMPETITIVE ASSESSMENT OF APPLICATIONS.—In providing assistance under subsection (a), the Secretary shall establish and implement a competitive process for the solicitation and consideration of applications from eligible entities for lines of credit for the capitalization of revolving funds.

(2) ELIGIBLE ENTITIES.—To be eligible to receive a line of credit under this title an applicant shall—

(A) be a community development corporation;

(B) prepare and submit an application to the Secretary that shall include a strategic investment plan that identifies and describes the economic characteristics of the target area to be served, the types of business to be assisted and the impact of such assistance on low-income, underemployed, and unemployed individuals in the target area;

(C) demonstrate previous experience in the development of low-income housing or community or business development projects in a low-income community and provide a record of achievement with respect to such projects; and

(D) have secured one or more commitments from local sources for contributions (either in cash or in kind, letters of credit or letters of commitment) in an amount that is at least equal to the amount requested in the application submitted under subparagraph (B).

(3) EXCEPTION.—Notwithstanding the provisions of paragraph (2)(D), the Secretary may reduce local contributions to not less than 25 percent of the amount of the line of credit requested by the community development

corporation if the Secretary determines such to be appropriate in accordance with section 106.

##### SEC. 103. APPROVAL OF APPLICATIONS.

(a) IN GENERAL.—In evaluating applications submitted under section 102(b)(2)(B), the Secretary shall ensure that—

(1) the residents of the target area to be served (as identified under the strategic development plan) would have an income that is less than the median income for the area (as determined by the Secretary);

(2) the applicant community development corporation possesses the technical and managerial capability necessary to administer a revolving loan fund and has past experience in the development and management of housing, community and economic development programs;

(3) the applicant community development corporation has provided sufficient evidence of the existence of good working relationships with—

(A) local businesses and financial institutions, as well as with the community the corporation proposes to serve; and

(B) local and regional job training programs;

(4) the applicant community development corporation will target job opportunities that arise from revolving loan fund investments under this title so that 75 percent of the jobs retained or created under such investments are provided to—

(A) individuals with—

(i) incomes that do not exceed the Federal poverty line; or

(ii) incomes that do not exceed 80 percent of the median income of the area;

(B) individuals who are unemployed or underemployed;

(C) individuals who are participating or have participated in job training programs authorized under the Job Training Partnership Act (29 U.S.C. 1501 et seq.) or the Family Support Act of 1988 (Public Law 100-485);

(D) individuals whose jobs may be retained as a result of the provision of financing available under this title; or

(E) individuals who have historically been underrepresented in the local economy; and

(5) a representative cross section of applicants are approved, including large and small community development corporations, urban and rural community development corporations and community development corporations representing diverse populations.

(b) PRIORITY.—In determining which application to approve under this title the Secretary shall give priority to those applicants proposing to serve a target area—

(1) with a median income that does not exceed 80 percent of the median for the area (as determined by the Secretary); and

(2) with a high rate of unemployment, as determined by the Secretary or in which the population loss is at least 7 percent from April 1, 1980, to April 1, 1990, as reported by the Bureau of the Census.

##### SEC. 104. AVAILABILITY OF LINES OF CREDIT AND USE.

(a) APPROVAL OF APPLICATION.—The Secretary shall provide a community development corporation that has an application approved under section 103 with a line of credit in an amount determined appropriate by the Secretary, subject to the limitations contained in subsection (b).

(b) LIMITATIONS ON AVAILABILITY OF AMOUNTS.—

(1) MAXIMUM AMOUNT.—The Secretary shall not provide in excess of \$2,000,000 in lines of credit under this title to a single applicant.

(2) PERIOD OF AVAILABILITY.—A line of credit provided under this title shall remain available over a period of time established by the Secretary, but in no event shall any such period of time be in excess of 3 years from the date on which such line of credit is made available.

(3) EXCEPTION.—Notwithstanding paragraphs (1) and (2), if a recipient of a line of credit under this title has made full and productive use of such line of credit, can demonstrate the need and demand for additional assistance, and can meet the requirements of section 102(b)(2), the amount of such line of credit may be increased by not more than \$1,500,000.

(c) AMOUNTS DRAWN FROM LINE OF CREDIT.—Amounts drawn from each line of credit under this title shall be used solely for the purposes described in section 101 and shall only be drawn down as needed to provide loans, investments, or to defray administrative costs related to the establishment of a revolving loan fund.

(d) USE OF REVOLVING LOAN FUNDS.—Revolving loan funds established with lines of credit provided under this title may be used to provide technical assistance to private business enterprises and to provide financial assistance in the form of loans, loan guarantees, interest reduction assistance, equity shares, and other such forms of assistance to business enterprises in target areas and who are in compliance with section 103(a)(4).

##### SEC. 105. LIMITATIONS ON USE OF FUNDS.

(a) MATCHING REQUIREMENT.—Not to exceed 50 percent of the total amount to be invested by an entity under this title may be derived from funds made available from a line of credit under this title.

(b) TECHNICAL ASSISTANCE AND ADMINISTRATION.—Not to exceed 10 percent of the amounts available from a line of credit under this title shall be used for the provision of training or technical assistance and for the planning, development, and management of economic development projects. Community development corporations shall be encouraged by the Secretary to seek technical assistance from other community development corporations, with expertise in the planning, development and management of economic development projects. The Secretary shall assist in the identification and facilitation of such technical assistance.

(c) LOCAL AND PRIVATE SECTOR CONTRIBUTIONS.—To receive funds available under a line of credit provided under this title, an entity, using procedures established by the Secretary, shall demonstrate to the community development corporation that such entity agrees to provide local and private sector contributions in accordance with section 102(b)(2)(D), will participate with such community development corporation in a loan, guarantee or investment program for a designated business enterprise, and that the total financial commitment to be provided by such entity is at least equal to the amount to be drawn from the line of credit.

(d) USE OF PROCEEDS FROM INVESTMENTS.—Proceeds derived from investments made using funds made available under this title may be used only for the purposes described in section 101 and shall be reinvested in the community in which they were generated.

##### SEC. 106. PROGRAM PRIORITY FOR SPECIAL EMPHASIS PROGRAMS.

(a) IN GENERAL.—The Secretary shall give priority in providing lines of credit under this title to community development corporations that propose to undertake economic development activities in distressed communities that target women, Native

Americans, at risk youth, farmworkers, population-losing communities, very low-income communities, single mothers, veterans, and refugees; or that expand employee ownership of private enterprises and small businesses, and to programs providing loans of not more than \$35,000 to very small business enterprises.

(b) RESERVATION OF FUNDS.—Not less than 5 percent of the amounts made available under section 403(a)(2)(A) may be reserved to carry out the activities described in subsection (a).

#### TITLE II—EMERGING COMMUNITY DEVELOPMENT CORPORATIONS

##### SEC. 201. COMMUNITY DEVELOPMENT CORPORATION IMPROVEMENT GRANTS.

(a) PURPOSE.—It is the purpose of this section to provide assistance to community development corporations to upgrade the management and operating capacity of such corporations and to enhance the resources available to enable such corporations to increase their community economic development activities.

##### (b) SKILL ENHANCEMENT GRANTS.—

(1) IN GENERAL.—The Secretary shall award grants to community development corporations to enable such corporations to attain or enhance the business management and development skills of the individuals that manage such corporations to enable such corporations to seek the public and private resources necessary to develop community economic development projects.

(2) USE OF FUNDS.—A recipient of a grant under paragraph (1) may use amounts received under such grant—

(A) to acquire training and technical assistance from agencies or institutions that have extensive experience in the development and management of low-income community economic development projects; or

(B) to acquire such assistance from other highly successful community development corporations.

##### (c) OPERATING GRANTS.—

(1) IN GENERAL.—The Secretary shall award grants to community development corporations to enable such corporations to support an administrative capacity for the planning, development, and management of low-income community economic development projects.

(2) USE OF FUNDS.—A recipient of a grant under paragraph (1) may use amounts received under such grant—

(A) to conduct evaluations of the feasibility of potential low-income community economic development projects that address identified needs in the low-income community and that conform to those projects and activities permitted under title I;

(B) to develop a business plan related to such a potential project; or

(C) to mobilize resources to be contributed to a planned low-income community economic development project or strategy.

(d) APPLICATIONS.—A community development corporation that desires to receive a grant under this section shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(e) AMOUNT AVAILABLE FOR A COMMUNITY DEVELOPMENT CORPORATION.—Amounts provided under this section to a community development corporation shall not exceed \$75,000 per year. Such corporations may apply for grants under this section for up to 3 consecutive years, except that such corporations shall be required to submit a new application for each grant for which such

corporation desires to receive and compete on the basis of such applications in the selection process.

##### SEC. 202. EMERGING COMMUNITY DEVELOPMENT CORPORATION REVOLVING LOAN FUNDS.

(a) AUTHORITY.—The Secretary is authorized to award grants to emerging community development corporations to enable such corporations to establish, maintain or expand revolving loan funds, to make or guarantee loans, or to make capital investments in new or expanding local businesses.

(b) ELIGIBILITY.—To be eligible to receive a grant under subsection (a), an entity shall—

(1) be a community development corporation;

(2) have completed not less than one nor more than two community economic development projects or related projects that improve or provide job and employment opportunities to low-income individuals;

(3) prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including a strategic investment plan that identifies and describes the economic characteristics of the target area to be served, the types of business to be assisted using amounts received under the grant and the impact of such assistance on low-income individuals; and

(4) have secured one or more commitments from local sources for contributions (either in cash or in kind, letters of credit, or letters of commitment) in an amount that is equal to at least 10 percent of the amounts requested in the application submitted under paragraph (2).

##### (c) USE OF THE REVOLVING LOAN FUND.—

(1) IN GENERAL.—A revolving loan fund established or maintained with amounts received under this section may be utilized to provide financial and technical assistance, loans, loan guarantees or investments to private business enterprises to—

(A) finance projects intended to provide business and employment opportunities for low-income individuals and to improve the quality of life in urban and rural areas; and

(B) build and expand the capacity of emerging community development corporations and serve the economic needs of local residents.

(2) TECHNICAL ASSISTANCE.—The Secretary shall encourage emerging community development corporations that receive grants under this section to seek technical assistance from established community development corporations, with expertise in the planning, development and management of economic development projects and shall facilitate the receipt of such assistance.

(3) LIMITATION.—Not to exceed 10 percent of the amounts received under this section by a grantee shall be used for training, technical assistance and administrative purposes.

(d) USE OF PROCEEDS FROM INVESTMENTS.—Proceeds derived from investments made with amounts provided under this section may be utilized only for the purposes described in this title and shall be reinvested in the community in which they were generated.

(e) AMOUNTS AVAILABLE.—Amounts provided under this section to a community development corporation shall not exceed \$500,000 per year.

#### TITLE III—RESEARCH AND DEMONSTRATION

##### SEC. 301. RESEARCH AND DEMONSTRATION.

(a) GRANTS.—The Secretary shall award grants to organizations to enable such organizations to undertake programs involving

research, testing, studies or demonstrations related to community economic development.

(b) ELIGIBLE ORGANIZATIONS.—To be eligible to receive a grant under this section, an entity shall—

(1) be a community development corporation, university, fiscal intermediary or a nonprofit organization involved in community-based economic development activities; and

(2) prepare and submit to the Secretary an application at such time, in such manner and containing such information as the Secretary determines appropriate.

(c) USE OF FUNDS.—Amounts received under a grant awarded under this section shall be made available for studies, reports, tests or demonstration projects that—

(1) identify current problems facing both urban and rural low-income communities or specific population groups within low-income communities and population-losing communities;

(2) identify solutions to the problems facing both urban and rural low-income communities or specific population groups within low-income communities;

(3) examine or critique current strategies being implemented to address economic issues facing low-income communities; and

(4) relate to any other matters determined appropriate by the Secretary.

(d) MAXIMUM AMOUNT OF GRANT.—A grant awarded under this section shall not exceed \$50,000.

#### TITLE IV—MISCELLANEOUS PROVISIONS

##### SEC. 401. JOINT PROGRAMS.

The Secretary shall develop and promulgate, in consultation with the heads of other Federal agencies, regulations designed to permit, where appropriate, the operation of joint programs under which activities supported with assistance provided under this Act are coordinated with community development activities supported with assistance provided under other programs administered by the Secretary and those administered by the heads of such agencies.

##### SEC. 402. REPORTS.

(a) COMMUNITY DEVELOPMENT CORPORATIONS.—Not later than 2 years after the date on which assistance is provided to a community development corporation under title I or II, every 2 years thereafter, the community development corporation shall prepare and submit to the Secretary a report under this section. Such report shall include—

(1) the amount of funds received by the community development corporation;

(2) a summary of the uses of such funds;

(3) the number of jobs created or retained by the corporation;

(4) the number and type of new businesses started, including micro-businesses;

(5) the number of jobs created or retained for individuals identified in section 103(a)(4);

(6) in the case of funds made available under title I, the source and amount of matching funds;

(7) in the case of revolving loan funds made available under title II, the amount of funds leveraged; and

(8) related human services and facilities provided as result of assistance provided under this Act.

(b) SECRETARY.—Not later than 3 years after the date on which assistance is first provided under title I or II, and annually thereafter, the Secretary shall prepare and submit to the Committee on Labor and Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives a report containing

a summary of the reports received by the Secretary under subsection (a) for the period in which the report of the Secretary is submitted.

#### SEC. 403. DEFINITIONS.

As used in this Act:

(1) **COMMUNITY DEVELOPMENT CORPORATION.**—The term "community development corporation" means a private, nonprofit corporation whose board of directors is comprised of business, civic and community leaders, and whose principal purpose includes the provision of low-income housing or community economic development projects that primarily benefit low-income individuals and communities.

(2) **LOCAL AND PRIVATE SECTOR CONTRIBUTION.**—The term "local and private sector contribution" means the funds available at the local level (by private financial institutions, State and local governments) or by any private philanthropic organization and private, nonprofit organizations that will be committed and used solely for the purpose of financing private business enterprises in conjunction with amounts provided under this Act.

(3) **POPULATION-LOSING COMMUNITY.**—The term "population-losing community" means any county in which the net population loss is at least 7 percent from April 1, 1980 to April 1, 1990, as reported by the Bureau of the Census.

(4) **PRIVATE BUSINESS ENTERPRISE.**—The term "private business enterprise" means any business enterprise that is engaged in the manufacture of a product, provision of a service, construction or development of a facility, or that is involved in some other commercial, manufacturing or industrial activity, and that agrees to target job opportunities stemming from investments authorized under this Act to certain individuals.

(5) **TARGET AREA.**—The term "target area" means any area defined in an application for assistance under this Act that has a population whose income does not exceed the median for the area within which the target area is located.

(6) **VERY LOW-INCOME COMMUNITY.**—The term "very low-income community" means a community in which the median income of the residents of such community does not exceed 50 percent of the median income of the area.

#### SEC. 404. AUTHORIZATION OF APPROPRIATIONS.

(a) **COMMUNITY ECONOMIC PARTNERSHIP INVESTMENT FUNDS AND EMERGING COMMUNITY DEVELOPMENT CORPORATIONS.**—

(1) **IN GENERAL.**—There are authorized to be appropriated to carry out titles I and II, \$40,000,000 for fiscal year 1994, \$100,000,000 for fiscal year 1995, and \$125,000,000 for fiscal year 1996.

(2) **EARMARKS.**—Of the aggregate amount appropriated under paragraph (1) for each fiscal year—

(A) 60 percent shall be available to carry out title I; and

(B) 40 percent shall be available to carry out title II.

(3) **AMOUNTS.**—Amounts appropriated under paragraph (1) shall remain available for expenditure without fiscal year limitation.

(b) **RESEARCH AND DEMONSTRATION.**—There are authorized to be appropriated to carry out title III such sums as may be necessary for each of the fiscal years 1994 through 1996.

#### SEC. 405. PROHIBITION.

None of the funds authorized under this Act shall be used to finance the construction of housing.

#### SEC. 406. EFFECTIVE DATE.

This Act shall take effect as if included in the Omnibus Budget Reconciliation Act of 1990.

By Mr. SPECTER:

S. 245. A bill to establish a National Commission on Educational Readiness; to the Committee on Labor and Human Resources.

#### NATIONAL COMMISSION ON EDUCATIONAL READINESS ACT

Mr. SPECTER. Mr. President, experience has taught us that the first few years of life play a crucial role in shaping a person's lifelong mental, emotional, and physical abilities. It is known that health influences education and that good health begins with early and comprehensive prenatal care. Informed parents and responsive community resources can contribute richly to child rearing and to positive child development. Similarly, a child's environment—the home, the playground, the child care setting—can either assist or impair the attainment of the full potential of development.

High-quality early childhood education programs have demonstrated major longterm benefits for children. Studies have shown that program participants by their late teens were more likely to have graduated from high school, become gainfully employed, and pursue some post-high school education. They also had fewer pregnancies, and fewer and less serious encounters with the criminal justice system.

In 1990, President Bush and the Nation's Governors adopted national goals for educational excellence. The first national education goal declared that by the year 2000, all children in America will start school ready to learn.

Unfortunately, all available indicators show we are far from reaching that particular goal. In the summer of 1991, a Carnegie Foundation survey of 7,000 teachers found that one in three of this Nation's children is not ready for school. When asked to compare the readiness of today's children with those of 5 years ago, 42 percent said the situation had grown worse. Increasingly, children's potential to learn is restricted by poor health, social deficiencies, and language problems.

It is a sad irony that young children are the poorest Americans. A recent report of the Children's Defense Fund, entitled "Leave No Child Behind," found that 1 out of every 4 children under age 6 lives in a family with an income below the poverty line, and more than 1 in 10 are from families with incomes less than one-half of the poverty line.

But it isn't only poor children who are unprepared. Children from many different backgrounds—and from all income levels—are found in the group of children unprepared for school entry.

To help address this serious problem, today I am introducing legislation

which would authorize \$1.5 million to establish a National Commission on Educational Readiness. The sole purpose of this Commission will be to forge a national agenda to help ready children for their formal education.

This Commission goal is modeled along the lines suggested by Ernest L. Boyer, president of the Carnegie Foundation for the Advancement of Teaching and author of "Ready to Learn: A Mandate for the Nation," and Dr. C. Everett Koop, former Surgeon General and Carnegie Foundation Distinguished Scholar.

The Commission I propose is by no means a panacea—but simply an acknowledgment that achieving school readiness is a national goal, requiring a national effort. Yes, the responsibility for school readiness begins with parents. But it also extends to neighborhoods, businesses, city halls, State capitals, and the Federal Government.

The Commission my legislation creates would recommend to Congress and the President what steps ought to be taken to ensure that children are prepared to begin their formal education. It would also serve as a national resource, offering local communities, States, and regions the latest information on what works and what does not.

"These early years in every child's life", Dr. Koop recently wrote, "when preventive measures can actually stop a lifetime of poor health and poor prospects for learning, deserve our caring and nurturing attention." To that, I would only add that the responsibility for fostering school readiness falls to all of us. It requires support, involvement, and collaboration in homes, health clinics, preschools, workplaces, television, and neighborhoods, as well as fostering connections across generations. A caring environment in all of these settings will nurture America's youngest citizens, prepare them for a lifetime of learning, and create a stronger society. My legislation takes that important first step of crafting an agenda—a framework, as it were—for meeting one of our most critical educational goals.

Experience has taught that in the first few years of life there is an unusually critical role in shaping a person's lifelong mental, emotional, and physical abilities. And it is known that health influences education and that good health begins with early and comprehensive prenatal care.

Mr. President, I ask unanimous consent that the full text of this floor statement on the National Commission on Educational Readiness, together with the text of the bill be included in the RECORD as if read in full.

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

S. 245

*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 "National Commission on Educational Readiness Act".

**SEC. 2. PURPOSE.**

It is the purpose of this Act to promote and improve the quality of preschool skills development by coordinating efforts on behalf of public and private organizations to improve and enhance systems of care for children and their families.

**SEC. 3. NATIONAL COMMISSION ON EDUCATIONAL READINESS.**

(a) **ESTABLISHMENT.**—There is hereby established a National Commission on Educational Readiness (hereafter in this Act referred to as the "Commission").

(b) **MEMBERSHIP AND ADMINISTRATION OF THE COMMISSION.**—

(1) **IN GENERAL.**—The Commission shall consist of 11 members, of whom—

(A) 2 members shall be appointed by the Secretary of Education;

(B) 2 members shall be appointed by the Secretary of Health and Human Services;

(C) 2 members shall be appointed by the Majority Leader of the Senate in consultation with the Minority Leader of the Senate;

(D) 2 members shall be appointed by the Speaker of the House of Representatives in consultation with the Minority Leader of the House of Representatives; and

(E) 3 members shall be jointly selected by the Majority Leader of the Senate and the Speaker of the House of Representatives from among individuals who have demonstrated expertise in areas such as early childhood development, comprehensive services delivery for pregnant women, infants, toddlers, and preschool children, professional teaching, or nonprofit organizations or foundations which work to expand educational opportunities for preschool children, such individuals may include State or local officials responsible for health and education policy, parents or representatives of parent organizations.

(2) **CHAIRMAN AND VICE CHAIRMAN.**—The Commission shall select a Chairperson and Vice Chairperson from among the members of the Commission.

(3) **VACANCIES.**—A vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment was made.

(4) **MEETINGS.**—The Commission shall meet on a regular basis, as necessary, at the call of the Chairperson of the Commission or a majority of the Commission's members.

(5) **QUORUM.**—A majority of the members of the Commission shall constitute a quorum for the transaction of business.

(6) **TERMS.**—(A) Members of the Commission shall be appointed to serve for terms of 3 years, except that of the members first appointed—

(i) 4 members shall serve for terms of 1 year;

(ii) 4 members shall serve for terms of 2 years; and

(iii) 3 members shall serve for terms of 3 years.

(B) Members may be reappointed to the Commission.

(7) **CONTRACTS.**—To carry out this Act, the Commission may enter into such contracts and other arrangements to such extent or in such amounts as are provided in appropriation Acts, and without regard to the provisions of section 3709 of the Revised Statutes (41 U.S.C. 5). Contracts and other arrangements may be entered into under this paragraph with or without consideration or bond.

(8) **COMPENSATION.**—Each member of the Commission shall serve without compensa-

tion, but shall be allowed travel expenses including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, when engaged in the performance of Commission duties.

(9) **ACTIVITY OF THE COMMISSION.**—The Commission may begin to carry out its duties under this Act when at least 6 members of the Commission have been appointed pursuant to paragraph (1).

**SEC. 4. DUTIES OF THE COMMISSION.**

The Commission shall—

(1) recommend a national policy designed to prepare the Nation's children for formal learning, including recommendations concerning appropriate roles for the Federal Government, States, local governments and the private sector;

(2) recommend to the President and the Congress the specific changes needed within Federal laws and policies to achieve an effective Federal role in such preparation;

(3) encourage State and local initiatives on behalf of children (including legislative and policy changes as the Commission determines necessary) and monitor progress toward school readiness;

(4) sponsor national, State and regional conferences on ready to learn activities;

(5) establish and operate a national clearinghouse for the dissemination of information and materials on readiness to learn;

(6) establish an advisory council in accordance with section 10;

(7) collaborate with specific entities involved with ready to learn issues or activities such as the National Ready to Learn Council, the National Education Goals Panel and appropriate State ready to learn activities;

(8) develop and maintain collaborative arrangements with public agencies and professional and voluntary organizations that are involved in ready to learn issues; and

(9) provide consultation and technical assistance, or arrange for the provision of such consultation and technical assistance, to State and community entities providing or preparing to provide integrated comprehensive health or child development services or educational services to pregnant women, infants, toddlers, and preschool children.

**SEC. 5. REPORTS.**

(a) **IN GENERAL.**—Not later than 1 year after the date on which all members of the Commission are appointed in accordance with section 3(b), the Commission shall prepare and submit to the President and to the appropriate committees of the Congress a comprehensive report on the activities of the Commission.

(b) **CONTENTS.**—The report submitted pursuant to subsection (a) shall include such findings and recommendations for legislative and administrative action as the Commission considers appropriate based on the activities of the Commission.

(c) **OTHER REPORTS.**—The Commission shall prepare and submit to the President and the Congress such other reports as the Commission considers appropriate.

**SEC. 6. INFORMATION.**

The Commission may secure directly from any Federal agency such information, relevant to the Commission's functions, as may be necessary to enable the Commission to carry out the Commission's duties. Upon request of the Chairman of the Commission, the head of the agency shall, to the extent permitted by law, furnish such information to the Commission.

**SEC. 7. GIFTS.**

The Commission may accept, use, and dispose of gifts and donations of money, serv-

ices, or property, for the purpose of aiding the activities of the Commission.

**SEC. 8. MAIL.**

The Commission may use the United States mails in the same manner and under the same conditions as the departments and agencies of the United States.

**SEC. 9. COMMISSION STAFF.**

(a) **EXECUTIVE DIRECTOR.**—The Commission shall appoint an executive director, who shall be paid at a rate not to exceed the maximum rate of basic pay under section 5376 of title 5, United States Code, and such professional and clerical personnel as may be reasonable and necessary to enable the Commission to carry out its functions without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, or of any other provision of law, relating to the number, classification and General Schedule rates, except that no employee, other than the staff director, may be compensated at a rate to exceed the maximum rate applicable to level 15 of the General Schedule set forth in section 5332 of title 5, United States Code.

(b) **OTHER FEDERAL PERSONNEL.**—Upon request of the Chairman of the Commission, the head of any Federal agency is authorized to detail, without reimbursement, any personnel of such agency to the Commission to assist the Commission in carrying out its duties under this Act. Such detail shall be without interruption or loss of civil service status or privilege set forth in section 5332 of title 5, United States Code.

**SEC. 10. ADVISORY COUNCIL.**

(a) **ESTABLISHMENT.**—The Commission shall establish an advisory council (hereafter in this Act referred to as the "Council") composed of representatives of professional and voluntary organizations, and recognized scholars and experts in early childhood development, education, health, child advocacy and other relevant fields.

(b) **FUNCTIONS.**—

(1) **IN GENERAL.**—The Council shall—

(A) advise the Commission regarding—

(i) readiness to learn;

(ii) the design, development and execution of the strategies assisted under this Act; and

(iii) the coordination of activities assisted under this Act, including procedures to assure compliance with the provisions of this Act; and

(B) make recommendations to the Commission in accordance with paragraph (2).

(2) **RECOMMENDATIONS.**—The Council shall make recommendations to the Commission regarding how best to—

(A) promote collaboration and joint activities to assist communities in assuring the Nation's children receive the variety of supports such children require to be ready for school;

(B) report on and promote innovative and exemplary projects and programs that highlight integrated, comprehensive services, including how such projects and programs may be used as models for replication in other communities;

(C) encourage and support the development of State and community ready to learn activities;

(D) monitor national progress toward the National Education Goal regarding school readiness; and

(E) develop, exchange and disseminate information regarding readiness to learn.

**SEC. 11. APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.**

The provisions of the Federal Advisory Committee Act shall not apply to the Commission established under this Act.

**SEC. 12. EXPERTS AND CONSULTANTS.**

Subject to such rules as may be prescribed by the Commission, the Chairman of the Commission may procure temporary and intermittent services under section 3109 of title 5, United States Code, as rates for individuals, not to exceed the daily rate payable for level GS-15 of the General Schedule set forth in section 5332 of title 5, United States Code.

**SEC. 13. AUTHORIZATION OF APPROPRIATIONS.**

(a) **IN GENERAL.**—There are authorized to be appropriated \$1,500,000 for fiscal year 1994 and such sums as may be necessary for each of the fiscal years 1995 and 1996 to carry out the provisions of this Act.

(b) **AVAILABILITY.**—Amounts appropriated pursuant to the authority of subsection (a) shall remain available until expended.

By Mr. SPECTER:

S. 246. A bill to provide expedited procedures for the consideration of habeas corpus petitions in capital cases; to the Committee on the Judiciary.

**FEDERAL HABEAS CORPUS REFORM ACT OF 1993**

Mr. SPECTER. Mr. President, I will introduce this afternoon three bills designed to make the death penalty effective as a deterrent against violent crime. It is unnecessary to recite statistics on the scope and extent or seriousness of violent crime in America today. It is my view that the death penalty is an effective deterrent against violent crime, based on the experience I have had in some 12 years in the Philadelphia district attorney's office, and what I have seen in more than 12 years serving on the Judiciary Committee of the U.S. Senate.

The deterrent quality of the death penalty has been significantly eroded by very lengthy appeals which follow the imposition of death, and by the fact that the decisions by the Supreme Court of the United States, in declaring the death penalty unconstitutional, unless the statute is constructed carefully—that aggravating and mitigating circumstance—has resulted in the virtual absence of the death penalty on the books of the Federal Government. Except for the Uniform Code of Military Justice and a single statute on the death penalty for drug users enacted in 1988, there are no Federal death penalty statutes; so that there is no Federal death penalty, for example, applicable to the assassination of the President of the United States.

We have at the present time—or as of October 1992, in the most exact statistics available—some 2,636 people on death row. Since 1976—again, according to the most accurate statistics available—there have been 190 executions for outrageous kinds of murder.

I am suggesting, Mr. President, that the death penalty be sharply limited to only the most extraordinary violent, premeditated acts of murder by those

who are, in most cases, repeat offenders.

When I was district attorney of Philadelphia, I reserved for myself the decision on whether the death penalty would be requested in any specific case, and those requests were very selectively employed.

But I do believe that the evidence is overwhelming that the death penalty is an effective deterrent.

I appreciate those who oppose the death penalty on the grounds of conscientious scruples. But it seems to me that as long as the death penalty does deter violent crime, it is a weapon which ought to be at the disposal of law enforcement in this country.

The first of the three statutes which I am introducing on this subject is entitled "The Federal Habeas Corpus Reform Act of 1993." This act is designed to streamline the review of death penalty cases after a jury has imposed the death penalty.

In the provisions set forth a timetable is constructed. It calls for the elimination of State habeas corpus proceedings on a voluntary basis by any State which wishes to accept the expedited procedure set forth in this bill.

Habeas corpus, Mr. President, is a proceeding which was employed, illustratively, in Pennsylvania, when I was district attorney, where after the death penalty had been imposed by the jury and after posttrial motions had been dismissed, and after the State supreme court had upheld the death penalty, and after the Supreme Court of the United States had either upheld the State supreme court judgment or had denied the review, where again the case would go back to the lower courts on a challenge of constitutional error, invariably, those were pro forma proceedings, with the only issue really being litigated the adequacy of counsel.

This bill provides for a unitary-type proceeding such as is used in California, where a claim of inadequate counsel may be raised after conviction and imposition of the death penalty, but before the appeal to the State supreme court. The bill sets forth in some detail the procedures for what would, in effect, be approximately a 1-year time period in the State court, and then a timetable for expedited disposition by the Federal courts, with limits on decisions by the U.S. district court, the courts of appeals, and also by the Supreme Court of the United States, where these cases would be placed in a priority class for especially expedited treatment based on the proposition that among all of the cases which the courts hear, that this class of cases deserves to be in a special category because of the seriousness of the death penalty, and because of its effect as a deterrent against violent crime.

If there are circumstances which warrant a more extended time period, then the bill does allow for extensions of time providing cause is shown.

The bill provides latitude for those on death row to get the benefit of any intervening decisions which have occurred since the death penalty was imposed. And while that does leave more grounds for appeal, that should not be unduly burdensome in the context of the circumscribed time limits.

The bill also provides for limitation of successive appeals where they would not go back to the district court, but would have to be allowed by the court of appeals to put a more restrictive rein on successive appeals, which have involved so much delay in our court system.

Mr. President, the second bill that I am introducing is an omnibus bill providing for the death penalty under the Federal system for a series of murders, including the assassination of a President; murder by a Federal prisoner; murder by use of explosives, and an entire sequence which would, in effect, reinstate capital punishment as provided by Federal law prior to the time the death penalty was declared unconstitutional.

The third bill that I am introducing is entitled the "Terrorist Death Penalty Act of 1993," which is being introduced separately because of the possibility of attaching this bill to some other legislation which may come to the floor. This legislation was considered by the Senate in the 101st Congress and was passed by a vote of 79 to 20.

I am attaching as an addendum to the statement on the Terrorist Death Penalty Act of 1993 a more extensive statement which had been reprinted in the CONGRESSIONAL RECORD on my floor statement of October 26, 1989, which sets forth in some detail specific cases which show the effectiveness of the death penalty as a deterrent against violent crime.

Mr. President, at this time, I ask unanimous consent that there appear in the RECORD following these remarks the full text of my statement on the Federal Habeas Corpus Reform Act of 1993, together with the text of the bill, the text of my statement on the Death Penalty Act of 1993, together with the full text of the bill, the floor statement on the Terrorist Death Penalty Act of 1993, together with the addendum from the 1989 CONGRESSIONAL RECORD, together with the text of the bill, and also the updated CRS brief on terrorist incidents, all as if I had presented them on the floor of the Senate today.

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

Mr. President, one of the most vexing issues we have confronted over the past few years is what to do to reform habeas corpus procedures in capital cases. Habeas corpus is the technical term for Federal collateral review of state-court criminal convictions. As the ultimate arbiters of Federal constitutional

rights, Federal courts have authority to review State convictions for Federal constitutional violations. This review is secured through a petition for habeas corpus.

In 1984, the Senate passed a broad habeas corpus reform measure, but the House failed to consider it. In the 101st Congress, the Senate adopted an amendment that Senator THURMOND and I offered to the omnibus anticrime bill that would have reformed habeas corpus procedures in death penalty cases. Unfortunately, at the insistence of the House conferees, this provision was dropped from the conference report.

Habeas corpus reform was revisited in the 102d Congress. Portions of my proposal, S. 19, were incorporated into the Republican habeas corpus reform package, which became part of the Senate's anticrime legislation. This time, the conference committee on the Senate and House anticrime bills kept a habeas corpus reform provision in the conference report, but it was the House version. This version was unacceptable to me.

The main problem with habeas corpus in capital cases has been the abuse of the writ. Inmates file repetitive petitions years after their convictions raising issues that could have been raised before just to delay their executions. As reported by the Conference Committee, the habeas corpus reform provision in the conference report to H.R. 3371 in the 102d Congress would have exacerbated the delay, not ameliorated it. Therefore, many of my colleagues joined me in opposing cloture on the conference report was never voted on, despite late efforts at a compromise.

Because I view the reform of habeas corpus proceedings as one of the fundamental issues facing this body in the areas of criminal law and Federal-State relations, I am once again introducing habeas corpus reform legislation, which is identical to the amendment adopted by the Senate on May 24, 1990, and to my bill S. 19 from the 102d Congress.

My proposal, the Federal Habeas Corpus Reform Act of 1993, establishes a timeframe for imposition of the death penalty in State cases that is reasonable and will again make the death penalty a meaningful sanction. The scope of the problem of delay associated with the imposition of the death penalty is demonstrated by the fact that as of October 1992, there were 2,636 people on death rows across the Nation, according to information provided to me. The average length of time these inmates had spent on death-row is approximately 8 years. Since the reinstatement of the death penalty in 1976, 190 executions have been carried out.

In 1990, Chief Justice William H. Rehnquist said that the current system

for handling death penalty habeas corpus cases in the Federal courts "verges on the chaotic," he was being charitable. The existing process calls into question the effectiveness of the entire criminal justice system. This is the reason that reform is so important. Opponents of tough habeas corpus reform argue that it should be a secondary issue because it only involves people who are already behind bars, awaiting execution, and therefore will not affect crime rates. I believe that this argument is shortsighted. Restrictions on habeas corpus will affect general crime rates because they will convince potential criminals that the laws will be carried out. If they are sentenced to death, they will get one review in Federal court at ensuring that their rights were not violated.

Today, the death penalty is the laughingstock of the criminal justice system because endless delays in the Federal habeas corpus proceedings have rendered it meaningless. Some cases have dragged on for over 18 years. The lower courts are so brazen about their interposition into State criminal justice systems that in one case last year the Supreme Court had to order the lower courts not to issue any further orders delaying one particular execution in California.

By the time cases find their way through a State court system and then bounce around the Federal judicial system, intervening decisions of the Supreme Court have frequently established new rights, which, in turn, give new hope to inmates with nothing to lose, so the entire process begins anew. The great writ of habeas corpus is always available, so stays of execution repeatedly delay the imposition of the death penalty, resulting in public scorn and contempt for the judicial system and the scorn and contempt of violent criminals who will take their chances that they will ultimately avoid the death penalty for their heinous acts.

My legislative proposal is based on my personal experience in handling numerous State and Federal habeas corpus cases as an assistant district attorney and chief of the appeals division in the Philadelphia district attorney's office, and later in supervising hundreds of such cases as the Philadelphia district attorney.

#### A PRACTICAL, JUST TIMETABLE

This proposal establishes a timetable for the imposition of the death penalty in almost all cases within 1 year from the time the State courts impose the sentence. The essential provisions are:

First, elimination of State habeas corpus proceedings, which involve lengthy delays, by allowing immediate collateral attack on the sentence of death.

Second, a single Federal court review through habeas corpus proceedings in which almost all cases will be resolved within 1 year on this schedule:

Federal habeas petition must be filed within 60 days from the final action of the State court proceedings resulting in the death penalty;

A final decision will have to be made by the Federal district court within 110 days from the filing of the habeas corpus petition;

A final decision will have to be made by the Federal court of appeals within 110 days from the final judgment in the district court;

Final action on a grant or denial of certiorari by the Supreme Court of the United States will have to be made within 110 days of the judgment of the court of appeals.

Third, the statute would prohibit continuances on filing a petition for habeas corpus except on a showing of good cause with a detailed specification of reasons by any court granting a continuance.

Fourth, no subsequent Federal court habeas corpus petition shall be entertained unless specific leave is granted by the court of appeals with jurisdiction and then only for limited reasons.

Fifth, the proposed expedited treatment of habeas corpus petitions would apply only to States which agree to provide free, competent legal counsel for defendants throughout the legal process for capital cases.

This compressed timeframe is both just and practical. It eliminates the lengthy delays occasioned by State habeas corpus proceedings in death penalty cases as the highest priority in the Federal judicial system. The death penalty is of sufficient importance to justify being accorded this priority treatment on the Federal court calendar.

#### A REALISTIC TIMETABLE

The timetable established in my bill limiting Federal habeas corpus proceedings to less than 1 year in most cases is not only practical and just but realistic as well. The key factor in this timetable is the requirement that the States will have to provide competent, free counsel to defendants in capital cases through all legal proceedings. It may be that assigned trial counsel would handle all stages of the case post-trial, unless there is an allegation of incompetency of counsel, in which event new counsel would obviously have to be provided to press that claim.

It is realistic to require the Federal habeas corpus petition to be filed within 60 days from appointment of post-conviction counsel by the State court. Appointed counsel will be on notice that the case cannot be treated as business as usual. Priority will have to be given the matter. I know from my own experience in the criminal justice system, including many years as a prosecutor, that a lawyer can prepare the petition for habeas corpus within that timeframe, although it may require long hours, overtime efforts, or the putting aside of other legal work.

If there are unusual circumstances, and I concede that it is not possible in a statutory setting to anticipate every conceivable situation, the court may allow extra time on a showing of good cause with a specification of the reasons for allowing the additional time.

Just as the timetable placed on the lawyers is reasonable, so too is the timetable placed on judicial consideration of habeas corpus petitions in capital cases. A district judge should be able to render a final decision within 110 days of the filing of the petition. That time period is calculated by giving the prosecutor 20 days to answer the petition and then 90 days for hearings, briefing, argument, and preparation of the decision by the district court. Based again on my experience in the field, I know that this timetable can be adhered to, even though it will require a Federal judge to give top priority to habeas corpus petitions in capital cases. The judge will also be responsible for enforcing the necessarily stringent timetable on counsel to process the case. All involved will have to undertake significant levels of work, but it is customary for counsel preparing a case for a hearing to put in long hours. This bill will require no change in lawyers' or judges' work habits, other than to require that they accord the highest priority to capital habeas corpus claims.

It is also realistic to require a decision by the court of appeals within 110 days of the final judgment of the district court. This timetable is only slightly faster than existing rules on docketing appeals and briefing cases. The timetable will allow the appellate court adequate time for review, reflection, and decision. In British courts, judges render oral opinions immediately after oral argument. As a practical matter, most decisions are made by appellate judges within a relatively brief period of time after oral argument or the submission of briefs.

Finally, I believe it is realistic to require final action by the Supreme Court of the United States within 110 days. This schedule will allow 20 days for the preparation of the petition for a writ of certiorari and 90 days for decision by the Court on the petition. It is currently a common practice for the Court to deny certiorari in under 90 days. While our Nation's highest Court would have to accord capital habeas corpus cases priority, that is a fitting requirement in the face of the urgency such cases present, as Chief Justice Rehnquist has articulated.

It is inevitable that some cases will not be completed within the 1-year timeframe established by this legislation. Some trials may be so long and complex that this timetable will be too short. I must stress, however, that the abbreviated timetable does not take effect until after the case has been tried and appealed in the State courts, and

no time limit is placed on the length of trial or on periods for consideration of post-trial motions and the direct appeal. During that period, most, if not all, of the complex factual and legal issues will be organized, analyzed, and resolved by the State courts, so that these issues will not be novel when the case comes to Federal court.

In cases in which my proposed timetable proves unrealistic and cannot be observed, extensions of time may be granted on a showing of good cause, but the court will be required to specify the reasons for any extensions or delays. If delays are granted, the court will be under an obligation to monitor the case closely and see to it that delays are held to a minimum.

#### RETROACTIVE EFFECT TO NEWLY CREATED RIGHTS

My bill accommodates two vexing issues raised by the bills that have been debated over the previous few years. Disagreement has arisen as to whether rights created by intervening court decisions should be given retroactive effect to prisoners whose convictions were final but who were in the process of seeking habeas corpus relief. Because of the delays in the current system, intervening court decision often create new rights. Under existing law, designed for cases in the current system where cases take years to resolve and such new rights can multiply quickly and could otherwise add to the delay in carrying out the death sentence, the Supreme Court has fashioned decisions to severely limit the retroactive application of intervening decisions. Given my compressed timetable, however, the problem of intervening rights will be greatly reduced.

In my judgment, it is neither conscionable nor realistic to carry out a death sentence where that result might be altered by a constitutional right created by an intervening judicial decision. My legislation would allow an inmate sentenced to death (but not to other inmates with habeas corpus petitions) to benefit from any newly created rights. Of course, this should not occur too frequently with the compressed timetable called for in my bill.

#### STANDARD FOR SUCCESSIVE PETITION

My proposal would eliminate much of the controversy between the recommendations of the special committee of the Judicial Conference to study habeas corpus reform in capital cases, chaired by retired Justice Lewis F. Powell, Jr., which had proposed permitting successive petitions only if there was reason to doubt the defendant's guilt and those of the Judicial Conference itself, which would allow a successive petition if a single Federal judge doubted the appropriateness of the death sentence.

My proposal would require a three-judge panel of the court of appeals to approve the filing of any successive petition, not a single district judge. By

establishing the court of appeals as a gatekeeper before leave is granted to file a successive petition, there would be a tighter rein on repetitious petitions.

While my proposal does not allow a single judge to halt an execution on a successive petition, it does take a more liberal attitude to the grounds for a successive petition, following the judicial Conference's recommendation. As with the issue of retroactivity, I believe it is unconscionable to impose a more restrictive provision, such as that recommended by Justice Powell's commission, when a life is at stake. Because a death sentence carries with it conclusions as to both guilt and sufficient aggravating circumstances to warrant execution, it is my judgment that the standards for allowing a successive petition should be broad enough to consider both issues relating to guilt and issues relating to the appropriateness of the sentence. Requiring leave of the court of appeals to file successive petitions will serve as an adequate brake on successive petitions that have no merit.

#### STATE HABEAS CORPUS SHOULD BE ELIMINATED

State habeas corpus proceedings, which provide for collateral attack in State courts against State-court imposed death sentences, involve lengthy delays and accomplish virtually nothing in the administration of justice. Such proceedings provide a forum for addressing possible errors of both State and Federal law in the trial, and to a certain extent mirror Federal habeas corpus proceedings.

For example, in Pennsylvania a defendant is indicted for first degree murder, which is tried before a jury in the court of common pleas. If they convict defendant of the murder, the jurors then consider aggravating and mitigating circumstances to determine whether the appropriate penalty is life imprisonment or death in the electric chair. When the jury imposes the death sentence, the defendant appeals to the Supreme Court of the Commonwealth of Pennsylvania. If the Pennsylvania Supreme Court upholds the conviction and death sentence, the defendant may ask the U.S. Supreme Court to review, at its discretion, his case. As a matter of practice, review by the U.S. Supreme Court occurs very, very infrequently.

After the U.S. Supreme Court refuses to hear the case, Federal law currently requires the defendant to file a State habeas corpus petition in order to exhaust all available State remedies before a Federal court would have jurisdiction to review the case in a Federal habeas corpus proceeding. So, in the State habeas corpus proceeding, the defendant asks the court of common pleas in the same county in which the defendant had previously been convicted to review the trial record and determine the defendant's claims that his rights were violated in that trial.

In some cases in less populated counties, this State habeas corpus petition may come before the very same judge who handled the trial, although in most cases the habeas corpus petition will be assigned to a different judge in the county of conviction.

Where questions of fact are raised in the State habeas corpus petition, the court of common pleas will have to hold an evidentiary hearing. Such hearings are almost always perfunctory, as the issues presented to the court have virtually all already been heard and adjudicated. In almost every case, the State habeas corpus petition is denied because most, if not all the issues had previously been decided in the initial appeal to the State supreme court. After the court of common pleas denies the defendant's petition for habeas corpus, an appeal is taken to the State intermediate appellate court, which typically denies the appeal on the authority of the State supreme court's initial decision. The appeal is then taken back to the State supreme court, which, having already heard the case once, customarily affirms the lower courts' denial of the habeas corpus petition. The defendant then must ask the U.S. Supreme Court once again to grant discretionary review over a case it has already once refused to hear. Only when the U.S. Supreme Court denies review does the defendant finally have standing to file a habeas corpus petition in Federal court.

State habeas corpus proceedings as outlined above frequently take years because no one is in a hurry; the courts are clogged with other matters that have more immediacy, and State habeas corpus petitions in capital cases languish because the defendant, already convicted, is imprisoned. When the defendant finally files a Federal habeas corpus petition, the same proceedings as took place in State court can take place in Federal court. When an evidentiary hearing is necessary, the court will hold one. After adjudication by the district court, an appeal is taken to the court of appeals. After the decision of the court of appeals, the U.S. Supreme Court may be asked to exercise its discretionary review, already twice denied, over the case. This Federal process can also take years.

By the time these lengthy State and Federal court habeas corpus proceedings have been concluded, it frequently occurs that an intervening decision by the Supreme Court of the United States or another court has created—or at least the defendant can colorably argue—new rights for the defendant which provide a basis for a whole new attack on the conviction and sentence. The entire habeas corpus procedure starts again in State court to be followed by Federal court habeas corpus review. By the time this second round is over, it again frequently occurs that yet another intervening decision has or

appears to have created some other new right, and the process can be repeated virtually interminably.

My proposed legislation would eliminate State habeas corpus review as a precondition to Federal habeas corpus review of capital cases. The rationale for doing away with the need to exhaust State remedies is that the State process is largely a formality in such cases. In any event, I believe State proceedings to be unnecessary to a determination of whether defendant's Federal rights were violated at trial. Such issues can be adequately litigated and determined in Federal court without the benefit of State habeas corpus review. While the current system preserves comity between State and Federal governments, it adds too much delay and causes disrespect for the law. It is time to change the current system by eliminating State habeas corpus proceedings as a prerequisite to Federal habeas corpus review of capital cases.

In addition to not requiring exhaustion, my proposal would require States to implement unitary review procedures in capital cases to take advantage of this expedited procedure. Under the unitary review model, claims of error that cannot be addressed on direct appeal appellate review are expedited in the lower courts and the appeal from such claims is consolidated with the direct appeal, allowing a defendant's claims to be heard all in one appeal.

The paradigm for this type of claim is the ineffective assistance of counsel claim. Such claims are usually presented to the State courts in a State habeas corpus petition after the direct appeal. Under the unitary review model, the direct appeal to the State's highest court would be held, and full lower court proceedings would be conducted and a ruling made on the ineffective assistance of counsel claim. Should the claim be denied, the defendant's appeal would be consolidated with the direct appeal, allowing the State supreme court to decide all issues in a single proceeding rather than in multiple appeals. Getting States to adopt the unitary review model is an important element in eliminating the delay in the system.

#### CONCLUSION

The essences of effectiveness of any criminal sentence are swiftness and certainty. Today, the death penalty is exactly the opposite: great uncertainty caused by endless delays. Its deterrent effect is thereby almost totally vitiated, and society is left unprotected from its worst predators. As I have said on this floor on many occasions, powerful arguments support the conclusion that the death penalty is a deterrent to violent crime. Even those who question the efficacy of the death penalty cannot doubt the legitimate interest that 37 States have in seeing their laws,

that provide for the death penalty, faithfully discharged. In addition, the inmates on death row are forced to endure many years in limbo. The current system is fair neither to society nor those sentenced to die.

The current system of habeas corpus review of capital cases in Federal courts is chaotic. The death penalty has become a cruel farce to society, to the families of victims, and to the defendants themselves. We need to put a stop to this parody of justice. The way to stop it is to impose a strict timetable. My legislation will do just that, while expanding the ability of defendants to raise certain arguments in the courts. It is a carefully balanced package. I urge its adoption this year.

A copy of the bill follows my remarks.

S. 246

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SPECIAL HABEAS CORPUS PROCEDURES IN CAPITAL CASES.

(a) IN GENERAL.—Part IV of title 28, United States Code, is amended by inserting immediately following chapter 153 the following new chapter:

#### “CHAPTER 154—SPECIAL HABEAS CORPUS PROCEDURES IN CAPITAL CASES

“Sec.

“2261. Defendant subject to capital punishment and prisoners in State custody subject to capital sentence; appointment of counsel; requirement of rule of court or statute; procedures for appointment.

“2262. Mandatory stay of execution; duration; limits on stays of execution; successive petitions.

“2263. Filing of habeas corpus petition; time requirements; tolling rules.

“2264. Evidentiary hearings; scope of Federal review; district court adjudication.

“2265. Certificate of probable cause inapplicable.

“2266. Counsel in capital cases; trial and post-conviction standards.

“2267. Law controlling in Federal habeas corpus proceedings; retroactivity.

“2268. Habeas corpus time requirements.

“§ 2261. Defendants subject to capital punishment and prisoners in State custody subject to capital sentence; appointment of counsel; requirement of rule of court or statute; procedures for appointment

“(a) This chapter shall apply—

“(1) to—

“(A) cases in which the defendant is tried for a capital offense; or

“(B) cases arising under section 2254 of this title brought by prisoners in State custody who are subject to a capital sentence; and

“(2) only if subsections (b) and (c) are satisfied.

“(b) This chapter is applicable if a State establishes by rule of its court of last resort or by statute a mechanism for the appointment, compensation, and payment of reasonable fees and litigation expenses of competent counsel consistent with section 2266 of this title.

“(c) Any mechanism for the appointment, compensation, and reimbursement of counsel

as provided in subsection (b) must offer counsel to all State defendants tried for a capital offense and all State prisoners under capital sentence and must provide for the entry of an order by a court of record—

“(1) appointing one or more counsel to represent the defendant or prisoner upon a finding that the defendant or prisoner—

“(A) is indigent and has accepted the offer; or

“(B) is unable competently to decide whether to accept or reject the offer;

“(2) finding, after a hearing, if necessary, that the defendant or prisoner has rejected the offer of counsel and made the decision with an understanding of its legal consequences; or

“(3) denying the appointment of counsel upon a finding that the defendant or prisoner is not indigent.

“(d) No counsel appointed pursuant to subsections (b) and (c) to represent—

“(1) a State defendant being tried for a capital offense; or

“(2) prisoner under capital sentence during direct appeals in the State courts,

shall have previously represented the defendant or prisoner at trial or on direct appeal in the case for which the appointment is made unless the defendant or prisoner and counsel expressly request continued representation.

“(e) The ineffectiveness or incompetence of counsel during State or Federal collateral post-conviction proceedings in a capital case shall not be a ground for relief in a proceeding arising under this chapter. This subsection shall not preclude the appointment of different counsel at any phase of Federal post-conviction proceeding.

**“§ 2262. Mandatory stay of execution; duration; limits on stays of execution; successive petitions**

“(a) Upon the entry in the appropriate State court of record of an order pursuant to section 2261(c) of this title for a prisoner under capital sentence, a warrant or order setting an execution date for a State prisoner shall be stayed upon application to any court that would have jurisdiction over any proceedings filed pursuant to this chapter. The application must recite that the State has invoked the procedures of this chapter and that the scheduled execution is subject to stay.

“(b) A stay of execution granted pursuant to subsection (a) shall expire if—

“(1) a State prisoner fails to file a habeas corpus petition under this chapter within the time required in section 2263 of this title; or

“(2) upon completion of district court and court of appeals review under this chapter, the petition for relief is denied and—

“(A) the time for filing a petition for certiorari has expired and no petition has been filed;

“(B) a timely petition for certiorari was filed and the Supreme Court denied the petition; or

“(C) a timely petition for certiorari was filed and upon consideration of the case, the Supreme Court disposed of it in a manner that left the capital sentence undisturbed; or

“(3) before a court of competent jurisdiction, a State prisoner under capital sentence waives the right to pursue habeas corpus review under section 2254 of this title, in the presence of counsel and after having been advised of the consequences of making the waiver.

“(c) If one of the conditions in subsection (b) has occurred, no Federal court thereafter shall have the authority to enter a stay of execution or grant relief in a capital case unless—

“(1) the basis for the stay and request for relief is a claim not previously presented in the State or Federal courts;

“(2) the failure to raise the claim—

“(A) was the result of State action in violation of the Constitution or laws of the United States;

“(B) was the result of a recognition by the Supreme Court of a new fundamental right that is retroactively applicable; or

“(C) is due to the fact the claim is based on facts that could not have been discovered through the exercise of reasonable diligence in time to present the claim for State or Federal post-conviction review; and

“(3) the filing of any successive petition for a writ of habeas corpus is authorized by the appropriate court of appeals in accordance with section 2264(c) and the facts underlying the claim would be sufficient, if proved, to undermine the court's confidence in the jury's determination of guilt on the offense or offenses for which the death penalty was imposed or newly discovered facts which are not based upon or include opinion evidence, expert or otherwise, which would be sufficient to undermine the court's confidence in the validity of the death sentence.

**“§ 2263. Filing of habeas corpus petition; time requirements; tolling rules**

“(a) Any petition filed under this chapter for habeas corpus relief must be filed in the appropriate district court not later than 60 days after the filing in the appropriate State court of record of an order issued in compliance with section 2261(c) of this title. The time requirements established by this section shall be tolled—

“(1) from the date that a petition for certiorari is filed in the Supreme Court until the date of final disposition of the petition if a State prisoner seeks review of a capital sentence that has been affirmed on direct appeal by the court of last resort of the State or has otherwise become final for State law purposes; and

“(2) during an additional period not to exceed 60 days, if counsel for the State prisoner—

“(A) moves for an extension of time in Federal district court that would have jurisdiction over the case upon the filing of a habeas corpus petition under section 2254 of this title; and

“(B) makes a showing of good cause for counsel's inability to file the habeas corpus petition within the 60-day period established by this section. A court that finds that good cause has been shown shall explain in writing the basis for such a finding.

“(b) A notice of appeal from a judgment of the district court in a claim under this chapter shall be filed within 20 days of the entry of judgment.

“(c) A petition for a writ of certiorari to the Supreme Court of the United States in a claim under this chapter shall be filed within 20 days of the issuance of the mandate by the court of appeals.

**“§ 2264. Evidentiary hearings; scope of Federal review; district court adjudication**

“(a) Whenever a State prisoner under a capital sentence files a petition for habeas corpus relief to which this chapter applies, the district court—

“(1) shall determine the sufficiency of the evidentiary record for habeas corpus review; and

“(2) may conduct an evidentiary hearing when the court, in its discretion, determines that such hearing is necessary to complete the record for habeas corpus review.

“(b) Upon the development of a complete evidentiary record, the district court shall

rule on the merits of the claims properly before it within the time limits established in section 2268 of this title.

“(c)(1) Except as provided in paragraph (2), a district court may not consider a successive claim under this chapter.

“(2) A district court may only consider a successive claim under this chapter if the petitioner seeks leave to file a successive petition in the appropriate court of appeals.

“(3) In a case in which the appropriate court of appeals grants leave to file a successive petition, the time limits established by this chapter shall be applicable to all further proceedings under the successive petition.

**“§ 2265. Certificate of probable cause inapplicable**

“The requirement of a certificate of probable cause in order to appeal from the district court to the court of appeals does not apply to habeas corpus cases subject to this chapter.

**“§ 2266. Counsel in capital cases; trial and post-conviction standards**

“(a) A mechanism for the provision of counsel services to indigents sufficient to invoke the provisions of this chapter shall—

“(1) provide for counsel to indigents charged with offenses for which capital punishment is sought, to indigents who have been sentenced to death and who seek appellate or collateral review in State court, and to indigents who have been sentenced to death and who seek certiorari review in the United States Supreme Court; collateral review in State court, and to indigents who have been sentenced to death and who seek certiorari review in the United States Supreme Court; and

“(2) provide for the entry of an order of a court of record appointing one or more counsel to represent the prisoner except upon a judicial determination (after a hearing, if necessary) that (A) the prisoner is not indigent; or (B) the prisoner knowingly and intelligently waives the appointment of counsel.

“(b)(1) Except as provided below, at least one attorney appointed pursuant to this chapter before trial, if applicable, and at least one attorney appointed pursuant to this chapter after trial, if applicable, shall have been certified by a statewide certification authority. The States may elect to create one or more certification authorities (but not more than three such certification authorities) to perform the responsibilities set forth below. The certification authority for counsel at any stage of a capital case shall be—

“(i) a special committee, constituted by the State court of last resort or by State law, relying on staff attorneys of a defender organization, members of the private bar, or both; or

“(ii) a capital litigation resource center, relying on staff attorneys, members of the private bar, or both; or

“(iii) a statewide defender organization, relying on staff attorneys, members of the private bar, or both.

The certification authority shall—

“(iv) certify attorneys qualified to represent persons charged with capital offenses or sentenced to death; and

“(v) draft and annually publish procedures and standards by which attorneys are certified and rosters of certified attorneys; and

“(vi) periodically review the roster of certified attorneys, monitor the performance of all attorneys certified, and withdraw certification from any attorney who fails to meet high performance standards in a case to

which the attorney is appointed; or fails otherwise to demonstrate continuing competence to represent prisoners in capital litigation.

"(2) In a State that has a publicly funded public defender system that is not organized on a statewide basis, the requirements of section 2261(b) shall have been deemed to have been satisfied if at least one attorney appointed pursuant to this chapter before trial shall be employed by a State funded public defender organization, if the highest court of the State finds on an annual basis that the standards and procedures established and maintained by such organization (which have been filed by such organization and reviewed by such court on an annual basis) ensure that the attorneys working for such organization demonstrate continuing competence to represent indigents in capital litigation.

"(c) If a State has not elected to establish one or more statewide certification authorities to certify counsel eligible to be appointed before trial to represent indigents, in the case of an appointment made before trial, at least one attorney appointed under this chapter must have been admitted to practice in the court in which the prosecution is to be tried for not less than 5 years, and must have not less than 3 years' experience in the trial of felony prosecutions in that court.

"(d) If a State has not elected to establish one or more statewide certification authorities to certify counsel eligible to be appointed after trial to represent indigents, in the case of an appointment made after trial, at least one attorney appointed under this chapter must have been admitted to practice in the court of last resort of the State for not less than 5 years, and must have had not less than 3 years' experience in the handling of appeals in that State's courts in felony cases.

"(e) Notwithstanding this subsection, a court, for good cause, may appoint another attorney whose background, knowledge or experience would otherwise enable the attorney to properly represent the defendant, with due consideration of the seriousness of the possible penalty and the unique and complex nature of the litigation.

"(f) Upon a finding in ex parte proceedings that investigative, expert or other services are reasonably necessary for the representation of the defendant, whether in connection with issues relating to guilt or issues relating to sentence, the court shall authorize the defendant's attorney to obtain such services on behalf of the defendant and shall order the payment of fees and expenses therefor, under subsection (g). Upon finding that timely procurement of such services could not practically await prior authorization, the court may authorize the provision of any payment of services nunc pro tunc.

"(g) The court shall fix the compensation to be paid to an attorney appointed under this subsection (other than State employees) and the fees and expenses to be paid for investigative, expert, and other reasonably necessary services authorized under subsection (c), at such rates or amounts as the court determines to be reasonably necessary to carry out the requirements of this subsection.

**"§ 2267. Law controlling in Federal habeas corpus proceedings; retroactivity**

"In cases subject to this chapter, all claims shall be governed by the law as it was when the petitioner's sentence became final. A court considering a claim under this chapter shall consider intervening decisions by

the Supreme Court of the United States which establish fundamental constitutional rights.

**"§ 2268. Habeas corpus time requirements**

"(a) A Federal district court shall determine any petition for a writ of habeas corpus brought under this chapter within 110 days of filing

"(b) The court of appeals shall hear and determine any appeal of the granting, denial, or partial denial of a petition for a writ of habeas corpus brought under this chapter within 90 days after the notice of appeal is filed.

"(c) The Supreme Court shall act on any petition for a writ of certiorari in a case brought under this chapter within 90 days after the petition is filed.

"(d) The Administrative Office of United States Courts shall report annually to Congress on the compliance by the courts with the time limits established in this section."

**SEC. 2. AMENDMENT TO TABLE OF CHAPTERS.**—The table of chapter for part IV of title 28, United States Code, is amended by inserting after the item for chapter 153 the following:

**"154. Special habeas corpus procedures in capital cases ..... 2261".**

**SEC. 3. AMENDMENT TO SECTION 2254 OF TITLE 28.**—Section 2254(c) of title 28, United States Code, is amended by—

(1) striking "An applicant" and inserting "(1) Except as provided in paragraph (2), an applicant"; and

(2) adding at the end thereof the following:

"(2) An applicant in a capital case shall be deemed to have exhausted the remedies available in the courts of the State when he has exhausted any right to direct appeal in the State."

By Mr. SPECTER:

S. 247. A bill to establish constitutional procedures for the imposition of the death penalty for certain Federal offenses; to the Committee on the Judiciary.

**DEATH PENALTY ACT OF 1993**

Mr. SPECTER. Mr. President, today, I am introducing an omnibus bill providing for a constitutional Federal death penalty for a broad range of homicides and for major drug traffickers. The crimes for which a Federal death sentence could be imposed under this bill include: murder of U.S. citizens by terrorists anywhere in the world; murder by kidnappers and hostage-takers; murder by hijackers; murder by bank robbers; murder by use of explosives; murder by a Federal prisoner; Presidential assassination; murder of Federal court officers and jurors; retaliatory murder of Federal witnesses, victims, and informants; and espionage.

This bill tracks identical legislation I introduced as S. 18 in the 102d Congress. Portions of that bill were subsumed into H.R. 3371, the broader omnibus anticrime legislation considered in the 102d Congress. As my colleagues know, that bill was defeated when its proponents were unable to invoke cloture on the conference report. While the death penalty provisions of that H.R. 3371 were satisfactory, the habeas corpus reform provisions of that bill

led me and many of my colleagues to oppose cloture.

While habeas corpus reform remains a top priority of mine, I think we need to move ahead promptly with separate death penalty legislation and consider the death penalty and habeas corpus reform separately. Only in this manner do I think we will enact a constitutional Federal death penalty that a majority of this body and of our constituents strongly support. Therefore, I again offer this comprehensive death penalty legislation.

I continue to believe that the death penalty is a very important weapon in the war against violent crime, most particularly the war on drugs. Most people would be surprised to learn that despite its effectiveness as a deterrent, there had not been an effective Federal law imposing the death penalty from 1972 until 1988, when Congress finally enacted a narrow death penalty for major drug dealers who further their enterprise through homicide. To this day, however, many Federal offenses which traditionally called for the death penalty—treason and espionage; murder; use of explosives resulting in death—have never had their death penalty provisions reenacted in a constitutional manner after the Supreme Court struck down all then-extant death penalty provisions in 1972. This bill would enable the Federal Government once again to have on its books an enforceable, constitutional death penalty for the most heinous crimes.

Mr. President, this is not an easy matter. There are many who have conscientious scruples against the death penalty. I respect these views. Nevertheless, we live in a democracy and the representatives of the people have spoken time and again through a series of votes in both Houses in support of the reestablishment of a constitutional Federal death penalty. In this regard, a majority of the Members of both Houses would join with the majorities in 37 States that have reenacted the death penalty since 1972 and some of the remaining States whose legislatures reenacted a death penalty only to have the State courts strike them down. Society has made its decision: While the use of the death penalty must be circumscribed, our society has determined that the ultimate sanction needs to be reserved for the most egregious cases and to stand as a deterrent to those who otherwise would commit violent crimes.

This legislation is the product of the give and take of debates and discussions that Congress has had on the issue over the last 4 years. It provides all the safeguards necessary to ensure that the death penalty is imposed only in the most egregious cases. Crimes committed by children under 18 cannot result in the death penalty. The bill also prohibits the mentally retarded or those who were mentally ill at the

time of their offenses from being executed. The bill also provides for the appointment of competent counsel and requires a special hearing to determine whether the death penalty is appropriate. At that hearing, all relevant information may be considered and all mitigating and aggravating factors will be presented and evaluated. The bill also provides for a de novo review of any death sentence in the court of appeals.

While, as I have noted, the bill covers a broad range of crimes for which the death penalty could be imposed, I want to focus on two in particular because of the complex questions that they raise: drug kingpins and terrorist murderers.

The bill provides for the death penalty or life in prison for major drug dealers who distribute large quantities of drugs or who take in \$10 million in any 12-month period as well as dealers who attempt to obstruct justice by threatening to kill witnesses and informants. The issue arises whether imposition of a death penalty in such cases is constitutional.

Drugs are, by definition, addictive. The more people a drug dealer can hook, the better business will be. A major drug dealer increases the harm to society exponentially with every new customer. This harm comes about through overdoses, the spreading of disease, especially AIDS, the destruction of families, and the violence caused by addicts seeking to support their habits and the dealers trying to protect their turf. These consequences are direct and foreseeable results of the illegal drug trade. The law recognizes that a person who fires a gun into a room that he knows to be occupied by several people, or who plays Russian roulette with another, or who drag races on a crowded street is engaging in conduct that involves a very high degree of homicidal risk. Such persons can be held legally responsible for deaths resulting from their actions, even if they do not intend to kill the particular victim. It is high time that drug dealers, who have targeted every person in this country, face the risk of the ultimate sanction for their intentional conduct putting the entire population at risk.

On September 19, 1989, during Judiciary Committee hearings on the death penalty, I engaged then-assistant Attorney General Edward S.G. Dennis in a discussion on the constitutionality of the death penalty for major drug traffickers. In my view, noted above, death is a natural and foreseeable consequence of large-scale drug sales. I asked Mr. Dennis to study the issue and provide the Justice Department's opinion as to the constitutionality of the death penalty for drug kingpins.

During a second hearing on October 2, 1989, Mr. Dennis delivered the view of the Justice Department that

Imposition of the death penalty on the leaders of large-scale drug production and

distribution operations would be consistent with the proportionality requirement of the Eighth Amendment.

A recent trilogy of cases provides support for my conclusion, supported by the Justice Department, that the death penalty for drug kingpins would be constitutionally permissible. In *Tison versus Arizona* in 1987, *Cabana versus Bullock* in 1986, and *Enmund versus Florida* in 1982, the Supreme Court held that applying the death penalty to accomplices convicted of felony murder, that is, to those who did not actually kill the victim, does not violate the eighth amendment.

The other provision I want to focus on would impose the death penalty on terrorists who murder U.S. citizens anywhere in the world. This provision is limited only to terrorists who are convicted of first-degree murder. For years American citizens have been the victims of numerous terrorist attacks overseas. Terrorist groups target innocent American citizens in order to attempt to sway Government policy. When we recall the atrocities committed against our citizens and the failure of foreign governments to take action in many cases, it is entirely appropriate to authorize the death penalty in this country for such crimes.

A brief recitation of some of these terrorist incidents will recall the anger we all felt at the time; this revulsion should be translated to an effective response. On December 21, 1988, Pan Am flight 103 was blown up over Lockerbie, Scotland. The toll was 259 passengers, 189 of whom were American citizens. On September 5, 1986, a Pan Am plane was held by terrorists on the ground in Karachi, Pakistan. The gunmen indiscriminately tossed grenades and sprayed passengers with automatic weapons fire. The result was 21 civilians killed and 100 wounded. On April 2, 1986, a bomb aboard TWA flight 840 exploded en route to Athens, Greece. Four Americans, including a mother and her infant child and the child's grandfather, were sucked out of the plane and fell to their deaths. On December 17, 1985, an attack by the Abu Nidal terrorist group on the Rome airport killed 15, including 5 Americans. On October 7, 1985, Leon Klinghoffer, confined to a wheelchair, was beaten and thrown overboard when terrorists took over the cruise ship *Achille Lauro* in the Mediterranean. On June 14, 1985, passengers on TWA flight 847 endured a 17-day ordeal in captivity when terrorists held the plane on the ground in Beirut. U.S. Navy diver Robert Stethem was killed by these savages.

Middle Eastern terrorism has abated since President Bush's brilliant diplomatic achievements in putting together the international force that drove Iraq out of Kuwait. And, in any event, not all terrorist attacks are related to the Middle East. On May 25, 1989, two young Mormons doing their

missionary work in Bolivia, were executed by terrorists for "violations of our national sovereignty." On June 13, 1988, two U.S. AID subcontractors, one an American, were executed by the Shining Path guerrillas in Peru.

Some, including a few of my colleagues, have questioned whether using the death penalty against terrorists will have any deterrent effect. While it is true that many terrorists are motivated by fanaticism and would not think twice about their act even if they faced a possible death sentence, others might be dissuaded from carrying out an attack on innocent Americans. As long as there is one terrorist who might be so dissuaded by fear of being captured and put on trial for his life in an American court—and the remarkable interdiction and capture by the FBI of the terrorist Fawaz Yunis and his conviction in a Federal court makes this scenario a real threat to any terrorist—then this death penalty provision will be a success. Moreover, let us not forget that enactment of the death penalty for terrorist murders would also stand as a symbol of our national revulsion over the use of terrorist acts committed against Americans abroad.

In a larger sense, the question about the efficacy of the terrorist death penalty raises the same questions about the efficacy of the death penalty in general. From my personal experience as Philadelphia district attorney from 1966 through 1974, I became convinced that the death penalty is a deterrent to violent crime. In cases that I prosecuted, some criminals refused to take firearms or participate in crimes where others were armed for fear of the death penalty. In a powerful opinion on the deterrent effect of the death penalty, Justice McComb of the California Supreme Court set out 14 cases in which criminals stated that they refused to carry a weapon for fear of the possibility of the death penalty. *People v. Love*, 16 Cal. Rptr. 777, 784-93 (1961).

An interesting econometric study by Prof. Steven Gabison concluded, after studying 7,092 executions between 1900 and 1985, that approximately 125,000 innocent lives had been saved through application of the death penalty. While there are many studies both supporting and contradicting the Gabison study, there are certain points at which the existence of the death penalty must serve as a deterrent, for example to a prisoner already serving a life sentence.

Justice Potter Stewart touched on the deterrent value of the death penalty in his opinion in *Gregg versus Georgia*, in which the Supreme Court upheld the constitutionality of the death penalty in 1976:

Although some of the studies suggest that the death penalty must not function as a significantly greater deterrent than lesser penalties, there is no convincing empirical evi-

dence either supporting or refuting this view. We may, nevertheless, assume safely that there are murderers, such as those who act in passion, for whom the threat of death has little or no deterrent effect. But for many others, the death penalty undoubtedly is a significant deterrent. There are carefully contemplated murders, such as murder for hire, where the possible penalty of death may well enter into the cold calculus that precedes the decision to act. And there are some categories of murder, such as murder by those serving life sentences where other sanctions may not be adequate.

Not only can the threat of death serve as a deterrent to violent crime, but the existence of the death penalty also serves as an expression of society's moral outrage over a narrowly defined category of the most heinous affronts to that society. Again, I can cite no better source than Justice Stewart's opinion in the Gregg case for an expression of this view:

Indeed, the decision that capital punishment may be the appropriate sanction in extreme cases is an expression of the community's belief that certain crimes are themselves so grievous an affront to humanity that the only adequate response may be the penalty of death. \* \* \*

In part, capital punishment is an expression of society's moral outrage at particularly offensive conduct. This function may be unappealing to many, but it is essential in an ordered society that asks its citizens to rely on legal processes rather than self-help to vindicate their wrongs.

Together with many of my colleagues, I have stated over too long a period of time my view that we need a constitutional Federal death penalty to serve both as a deterrent and as a sign of our society's moral outrage over the most heinous crimes. The enactment of such a law is long overdue. I believe we need to get on with the job and adopt such a law, unencumbered by other contentious issues, quickly in this session of Congress. There is widespread support among the people for a carefully circumscribed death penalty. Failure to adopt it once again this Congress will only further people's belief that we are not responsive to them. I urge swift consideration and enactment of this legislation.

Mr. President, I ask for unanimous consent that the bill be printed in the RECORD.

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

S. 247

*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 "Death Penalty Act of 1993".

#### SEC. 2. DEATH PENALTY.

(a) IN GENERAL.—Title 18, United States Code, is amended by inserting after chapter 227 the following new chapter:

#### "CHAPTER 228—DEATH PENALTY PROCEDURES

"Sec.  
"3591. Sentence of death.

"3592. Factors to be considered in determining whether a sentence of death is justified.

"3593. Special hearing to determine whether a sentence of death is justified.

"3594. Imposition of a sentence of death.

"3595. Review of a sentence of death.

"3596. Implementation of a sentence of death.

"3597. Use of State facilities.

"3598. Appointment of counsel.

"3599. Collateral attack on judgment imposing sentence of death.

#### "§ 3591. Sentence of death

"A defendant who has been found guilty of—

"(1) an offense described in section 794 or section 2381 of this title;

"(2) an offense described in section 1751(c) of this title if the offense, as determined beyond a reasonable doubt at a hearing under section 3593, constitutes an attempt to murder the President of the United States and results in bodily injury to the President or comes dangerously close to causing the death of the President; or

"(3) any other offense for which a sentence of death is provided, if the defendant, as determined beyond a reasonable doubt at a hearing under section 3593 either—

"(A) intentionally killed the victim;

"(B) intentionally participated in an act, contemplating that the life of a person would be taken or intending that lethal force would be used in connection with a person, other than one of the participants in the offense, and the victim died as a direct result of the act; or

"(C) acting with reckless disregard for human life, engaged or substantially participated in conduct which the defendant knew would create a grave risk of death to another person or persons and death resulted from such conduct,

shall be sentenced to death if, after consideration of the factors set forth in section 3592 in the course of a hearing held under section 3593, it is determined that imposition of a sentence of death is justified, except that no person may be sentenced to death who was less than 18 years of age at the time of the offense.

#### "§ 3592. Factors to be considered in determining whether a sentence of death is justified

"(a) MITIGATING FACTORS.—In determining whether a sentence of death is justified for any offense, the jury, or if there is no jury, the court, shall consider each of the following mitigating factors and determine which, if any, exist:

"(1) MENTAL CAPACITY.—The defendant's mental capacity to appreciate the wrongfulness of the defendant's conduct or to conform the defendant's conduct to the requirements of law was significantly impaired, regardless of whether the capacity was so impaired as to constitute a defense to the charge.

"(2) DURESS.—The defendant was under unusual and substantial duress, regardless of whether the duress was of such a degree as to constitute a defense to the charge.

"(3) PARTICIPATION IN OFFENSE MINOR.—The defendant is punishable as a principal (as defined in section 2 of title 18 of the United States Code) in the offense, which was committed by another, but the defendant's participation was relatively minor, regardless of whether the participation was so minor as to constitute a defense to the charge.

The jury, or if there is no jury, the court, shall consider whether any other aspect of the defendant's character or record or any

other circumstances of the offense that the defendant may proffer as a mitigating factor exists.

"(b) AGGRAVATING FACTORS FOR ESPIONAGE AND TREASON.—In determining whether a sentence of death is justified for an offense described in section 3591(1), the jury, or if there is no jury, the court, shall consider each of the following aggravating factors and determine which, if any, exist:

"(1) PREVIOUS ESPIONAGE OR TREASON CONVICTION.—The defendant has previously been convicted of another offense involving espionage or treason for which a sentence of life imprisonment or death was authorized by statute.

"(2) RISK OF SUBSTANTIAL DANGER TO NATIONAL SECURITY.—In the commission of the offense the defendant knowingly created a grave risk to the national security.

"(3) RISK OF DEATH TO ANOTHER.—In the commission of the offense the defendant knowingly created a grave risk of death to another person.

The jury, or if there is no jury, the court, may consider whether any other aggravating factor exists.

"(c) AGGRAVATING FACTORS FOR HOMICIDE AND FOR ATTEMPTED MURDER OF THE PRESIDENT.—In determining whether a sentence of death is justified for an offense described in section 3591 (2) or (6), the jury, or if there is no jury, the court, shall consider each of the following aggravating factors and determine which, if any, exist:

"(1) DEATH OCCURRED DURING COMMISSION OF ANOTHER CRIME.—The death occurred during the commission or attempted commission of, or during the immediate flight from the commission of, an offense under section 751 (prisoners in custody of institution or officer), section 794 (gathering or delivering defense information to aid foreign government), section 844(d) (transportation of explosives in interstate commerce for certain purposes), section 844(f) (destruction of Government property by explosives), section 1118 (prisoners serving life term), section 1201 (kidnapping), or section 2381 (treason) of this title, section 1826 of title 28 (persons in custody as recalcitrant witnesses or hospitalized following a finding of not guilty only by reason of insanity), or section 902 (i) or (n) of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1472 (i) or (n) (aircraft piracy)).

"(2) INVOLVEMENT OF FIREARM OR PREVIOUS CONVICTION OF VIOLENT FELONY INVOLVING FIREARM.—The defendant—

"(A) during and in relation to the commission of the offense or in escaping apprehension used or possessed a firearm as defined in section 921 of this title; or

"(B) has previously been convicted of a Federal or State offense punishable by a term of imprisonment of more than one year, involving the use or attempted or threatened use of a firearm, as defined in section 921 of this title, against another person.

"(3) PREVIOUS CONVICTION OF OFFENSE FOR WHICH A SENTENCE OF DEATH OR LIFE IMPRISONMENT WAS AUTHORIZED.—The defendant has previously been convicted of another Federal or State offense resulting in the death of a person, for which a sentence of life imprisonment or death was authorized by statute.

"(4) PREVIOUS CONVICTION OF OTHER SERIOUS OFFENSES.—The defendant has previously been convicted of 2 or more Federal or State offenses, each punishable by a term of imprisonment of more than one year, committed on different occasions, involving the importation, manufacture, or distribution of a controlled substance (as defined in section 102 of the Controlled Substances Act (21

U.S.C. 802)) or the infliction of, or attempted infliction of, serious bodily injury or death upon another person.

"(5) GRAVE RISK OF DEATH TO ADDITIONAL PERSONS.—The defendant, in the commission of the offense or in escaping apprehension, knowingly created a grave risk of death to one or more persons in addition to the victim of the offense.

"(6) HEINOUS, CRUEL, OR DEPRAVED MANNER OF COMMISSION.—The defendant committed the offense in an especially heinous, cruel, or depraved manner in that it involved torture or serious physical abuse to the victim.

"(7) PROCUREMENT OF OFFENSE BY PAYMENT.—The defendant procured the commission of the offense by payment, or promise of payment, of anything of pecuniary value.

"(8) COMMISSION OF THE OFFENSE FOR PECUNIARY GAIN.—The defendant committed the offense as consideration for the receipt, or in the expectation of the receipt, of anything of pecuniary value.

"(9) SUBSTANTIAL PLANNING AND PREMEDITATION.—The defendant committed the offense after substantial planning and premeditation.

"(10) VULNERABILITY OF VICTIM.—The victim was particularly vulnerable due to old age, youth, or infirmity.

"(11) TYPE OF VICTIM.—The defendant committed the offense against—

"(A) the President of the United States, the President-elect, the Vice President, the Vice President-elect, the Vice President-designate, or, if there is no Vice President, the officer next in order of succession to the office of the President of the United States, or any person who is acting as President under the Constitution and laws of the United States;

"(B) a chief of state, head of government, or the political equivalent, of a foreign nation;

"(C) a foreign official listed in section 1116(b)(3)(A) of this title, if that official is in the United States on official business; or

"(D) a public servant who is a Federal judge, a Federal law enforcement officer, an employee (including a volunteer or contract employee) of a Federal prison, or an official of the Federal Bureau of Prisons—

"(i) while such public servant is engaged in the performance of the public servant's official duties;

"(ii) because of the performance of such public servant's official duties; or

"(iii) because of such public servant's status as a public servant.

For purposes of this paragraph, the terms 'President-elect' and 'Vice President-elect' mean such persons as are the apparent successful candidates for the offices of President and Vice President, respectively, as ascertained from the results of the general elections held to determine the electors of President and Vice President in accordance with title 3, United States Code, sections 1 and 2; a 'Federal law enforcement officer' is a public servant authorized by law or by a government agency or Congress to conduct or engage in the prevention, investigation, or prosecution of an offense; 'Federal prison' means a Federal correctional, detention, or penal facility, Federal community treatment center, or Federal halfway house, or any such prison operated under contract with the Federal Government; and 'Federal judge' means any judicial officer of the United States, and includes a justice of the Supreme Court and a magistrate.

The jury, or if there is no jury, the court, may consider whether any other aggravating factor exists.

**"§ 3593. Special hearing to determine whether a sentence of death is justified**

"(a) NOTICE BY THE GOVERNMENT.—Whenever the Government intends to seek the death penalty for an offense described in section 3591, the attorney for the Government, a reasonable time before the trial, or before acceptance by the court of a plea of guilty, or at such time thereafter as the court may permit upon a showing of good cause, shall sign and file with the court, and serve on the defendant, a notice—

"(1) that the Government in the event of conviction will seek the sentence of death; and

"(2) setting forth the aggravating factor or factors enumerated in section 3592 and any other aggravating factor not specifically enumerated in section 3592, that the Government, if the defendant is convicted, will seek to prove as the basis for the death penalty.

The court may permit the attorney for the Government to amend the notice upon a showing of good cause.

"(b) HEARING BEFORE A COURT OR JURY.—When the attorney for the Government has filed a notice as required under subsection (a) of this section and the defendant is found guilty of an offense described in section 3591 of this title, the judge who presided at the trial or before whom the guilty plea was entered, or another judge if that judge is unavailable, shall conduct a separate sentencing hearing to determine the punishment to be imposed. Before such a hearing, no presentence report shall be prepared by the United States Probation Service, notwithstanding the Federal Rules of Criminal Procedure. The hearing shall be conducted—

"(1) before the jury that determined the defendant's guilt;

"(2) before a jury impaneled for the purpose of the hearing if—

"(A) the defendant was convicted upon a plea of guilty;

"(B) the defendant was convicted after a trial before the court sitting without a jury;

"(C) the jury that determined the defendant's guilt was discharged for good cause; or

"(D) after initial imposition of a sentence under this section, reconsideration of the sentence under the section is necessary; or

"(3) before the court alone, upon motion of the defendant and with the approval of the attorney for the Government.

A jury impaneled pursuant to paragraph (2) shall consist of 12 members, unless, at any time before the conclusion of the hearing, the parties stipulate, with the approval of the court, that it shall consist of a lesser number.

"(c) PROOF OF MITIGATING AND AGGRAVATING FACTORS.—At the hearing, information may be presented as to—

"(1) any matter relating to any mitigating factor listed in section 3592 and any other mitigating factor; and

"(2) any matter relating to any aggravating factor listed in section 3592 for which notice has been provided under subsection (a)(2) and (if information is presented relating to such a listed factor) any other aggravating factor for which notice has been so provided.

Information presented may include the trial transcript and exhibits. Any other information relevant to such mitigating or aggravating factors may be presented by either the government or the defendant, regardless of its admissibility under the rules governing admission of evidence at criminal trials, except that information may be excluded if its probative value is outweighed by the danger

of creating unfair prejudice, confusing the issues, or misleading the jury. The attorney for the Government and for the defendant shall be permitted to rebut any information received at the hearing, and shall be given fair opportunity to present argument as to the adequacy of the information to establish the existence of any aggravating or mitigating factor, and as to the appropriateness in that case of imposing a sentence of death. The attorney for the Government shall open the argument. The defendant shall be permitted to reply. The Government shall then be permitted to reply in rebuttal. The burden of establishing the existence of an aggravating factor is on the Government, and is not satisfied unless the existence of such a factor is established beyond a reasonable doubt. The burden of establishing the existence of any mitigating factor is on the defendant, and is not satisfied unless the existence of such a factor is established by a preponderance of the evidence.

"(d) RETURN OF SPECIAL FINDINGS.—The jury, or if there is no jury, the court, shall consider all the information received during the hearing. It shall return special findings identifying any aggravating factor or factors set forth in section 3592 of this title found to exist and any other aggravating factor for which notice has been provided under subsection (a) found to exist. A finding with respect to a mitigating factor may be made by one or more members of the jury, and any member of the jury who finds the existence of a mitigating factor may consider such factor established for purposes of this section regardless of the number of jurors who concur that the factor has been established. A finding with respect to any aggravating factor must be unanimous. If no aggravating factor set forth in section 3592 of this title is found to exist, the court shall impose a sentence other than death authorized by law.

"(e) RETURN OF A FINDING CONCERNING A SENTENCE OF DEATH.—If, in the case of—

"(1) an offense described in section 3591(1) of this title, an aggravating factor required to be considered under section 3592(b) of this title is found to exist; or

"(2) an offense described in section 3591 (2) or (6) of this title, an aggravating factor required to be considered under section 3592(c) of this title is found to exist;

the jury, or if there is no jury, the court, shall then consider whether the aggravating factor or factors found to exist outweigh any mitigating factor or factors. The jury, or if there is no jury, the court, shall recommend a sentence of death if it unanimously finds at least one aggravating factor and no mitigating factor or if it finds one or more aggravating factors which outweigh any mitigating factors. In any other case, it shall not recommend a sentence of death. The jury shall be instructed that it must avoid any influence of sympathy, sentiment, passion, prejudice, or other arbitrary factors in its decision, and should make such a recommendation as the information warrants.

"(f) SPECIAL PRECAUTION TO ASSURE AGAINST DISCRIMINATION.—In a hearing held before a jury, the court, before the return of a finding under subsection (e) of this section, shall instruct the jury that, in considering whether a sentence of death is justified, it shall not consider the race, color, religious beliefs, national origin, or sex of the defendant or of any victim and that the jury is not to recommend a sentence of death unless it has concluded that it would recommend a sentence of death for the crime in question no matter what the race, color, religious beliefs, national origin, or sex of the defendant

of any victim may be. The jury, upon return of a finding under subsection (e) of this section, shall also return to the court a certificate, signed by each juror, that consideration of the race, color, religious beliefs, national origin, or sex of the defendant or any victim was not involved in reaching the juror's individual decision and that the individual juror would have made the same recommendation regarding a sentence for the crime in question no matter what the race, color, religious beliefs, national origin, or sex of the defendant or any victim may be.

**“§ 3594. Imposition of a sentence of death**

“Upon the recommendation under section 3593(e) of this title that a sentence of death be imposed, the court shall sentence the defendant to death. Otherwise the court shall impose a sentence, other than death, authorized by law. Notwithstanding any other provision of law, if the maximum term of imprisonment for the offense is life imprisonment, the court may impose a sentence of life imprisonment without the possibility of release or furlough.

**“§ 3595. Review of a sentence of death**

“(a) APPEAL.—In a case in which a sentence of death is imposed, the sentence shall be subject to review by the court of appeals upon appeal by the defendant. Notice of appeal of the sentence must be filed within the time specified for the filing of a notice of appeal of the judgment of conviction. An appeal of the sentence under this section may be consolidated with an appeal of the judgment of conviction and shall have priority over all other cases.

“(b) REVIEW.—The court of appeals shall review the entire record in the case, including—

“(1) the evidence submitted during the trial;

“(2) the information submitted during the sentencing hearing;

“(3) the procedures employed in the sentencing hearing; and

“(4) the special findings returned under section 3593(d) of this title.

“(c) DECISION AND DISPOSITION.—

“(1) If the court of appeals determines that—

“(A) the sentence of death was not imposed under the influence of passion, prejudice, or any other arbitrary factor; and

“(B) the evidence and information support the special findings of the existence of an aggravating factor or factors;

“(2) In any other case, the court of appeals shall remand the case for reconsideration under section 3593 of this title or for imposition of another authorized sentence as appropriate.

“(3) The court of appeals shall state in writing the reasons for its disposition of an appeal of sentence of death under this section.

**“§ 3596. Implementation of a sentence of death**

“(a) IN GENERAL.—A person who has been sentenced to death pursuant to this chapter shall be committed to the custody of the Attorney General until exhaustion of the procedures for appeal of the judgment of conviction and for review of the sentence. When the sentence is to be implemented, the Attorney General shall release the person sentenced to death to the custody of a United States marshal, who shall supervise implementation of the sentence in the manner prescribed by the law of the State in which the sentence is imposed. If the law of such State does not provide for implementation of a sentence of

death, the court shall designate another State, the law of which does so provide, and the sentence shall be implemented in the manner prescribed by such law.

“(b) IMPAIRED MENTAL CAPACITY, AGE, OR PREGNANCY.—A sentence of death shall not be carried out upon a person who is under 18 years of age at the time the crime was committed. A sentence of death shall not be carried out upon a person who is mentally retarded. A sentence of death shall not be carried out upon a person who, as a result of mental disability—

“(1) cannot understand the nature of the pending proceedings, what such person was tried for, the reason for the punishment, or the nature of the punishment; or

“(2) lacks the capacity to recognize or understand facts which would make the punishment unjust or unlawful or lacks the ability to convey such information to counsel or to the court.

A sentence of death shall not be carried out upon a woman while she is pregnant.

“(c) EMPLOYEES MAY DECLINE TO PARTICIPATE.—No employee of any State department of corrections or the Federal Bureau of Prisons and no employee providing services to that department or bureau under contract shall be required, as a condition of that employment or contractual obligation, to be in attendance at or to participate in any execution carried out under this section, if such participation is contrary to the moral or religious convictions of the employee. For purposes of this subsection, the term ‘participate in any execution’ includes personal preparation of the condemned individual and the apparatus used for the execution, and supervision of the activities of other personnel in carrying out such activities.

**“§ 3597. Use of State facilities**

“A United States marshal charged with supervising the implementation of a sentence of death may use appropriate State or local facilities for the purpose, may use the services of an appropriate State or local official or of a person such as an official employed for the purpose, and shall pay the costs thereof in an amount approved by the Attorney General.

**“§ 3598. Appointment of counsel**

“(a) FEDERAL CAPITAL CASES.—

“(1) REPRESENTATION OF INDIGENT DEFENDANTS.—Notwithstanding any other provision of law, this subsection shall govern the appointment of counsel for any defendant against whom a sentence of death is sought, or on whom a sentence of death has been imposed, for an offense against the United States, where the defendant is or becomes financially unable to obtain adequate representation. Such a defendant shall be entitled to appointment of counsel from the commencement of trial proceedings until one of the conditions specified in section 3599(b) of this title has occurred.

“(2) REPRESENTATION BEFORE FINALITY OF JUDGMENT.—A defendant within the scope of this subsection shall have counsel appointed for trial representation as provided in section 3005 of this title. At least one counsel so appointed shall continue to represent the defendant until the conclusion of direct review of the judgment, unless replaced by the court with other qualified counsel.

“(3) REPRESENTATION AFTER FINALITY OF JUDGMENT.—When a judgment imposing a sentence of death has become final through affirmation by the Supreme Court on direct review, denial of certiorari by the Supreme Court on direct review, or expiration of the time for seeking direct review in the court of

appeals or the Supreme Court, the Government shall promptly notify the district court that imposed the sentence. Within 10 days of receipt of such notice, the district court shall proceed to make a determination whether the defendant is eligible under this subsection for appointment of counsel for subsequent proceedings. On the basis of the determination, the court shall issue an order (A) appointing one or more counsel to represent the defendant upon a finding that the defendant is financially unable to obtain adequate representation and wishes to have counsel appointed or is unable competently to decide whether to accept or reject appointment of counsel; (B) finding, after a hearing if necessary, that the defendant rejected appointment of counsel and made the decision with an understanding of its legal consequences; or (C) denying the appointment of counsel upon a finding that the defendant is financially able to obtain adequate representation. Counsel appointed pursuant to this paragraph shall be different from the counsel who represented the defendant at trial and on direct review unless the defendant and counsel request a continuation or renewal of the earlier representation.

“(4) STANDARDS FOR COMPETENCE OF COUNSEL.—In relation to a defendant who is entitled to appointment of counsel under this subsection, at least one counsel appointed for trial representation must have been admitted to the bar for at least 5 years and have at least 3 years of experience in the trial of felony cases in the Federal district courts. If new counsel is appointed after judgment, at least one counsel so appointed must have been admitted to the bar for at least 5 years and have at least 3 years of experience in the litigation of felony cases in the Federal courts of appeals or the Supreme Court. The court, for good cause, may appoint counsel who does not meet these standards, but whose background, knowledge, or experience would otherwise enable him or her to properly represent the defendant, with due consideration of the seriousness of the penalty and the nature of the litigation.

“(5) APPLICABILITY OF CRIMINAL JUSTICE ACT.—Except as otherwise provided in this subsection, the provisions of section 3006A of this title shall apply to appointments under this subsection.

“(6) CLAIMS OF INEFFECTIVENESS OF COUNSEL.—The ineffectiveness or incompetence of counsel during proceedings on a motion under section 2255 of title 28, United States Code, in a capital case shall not be a ground for relief from the judgment or sentence in any proceeding. This limitation shall not preclude the appointment of different counsel at any stage of the proceedings.

“(b) STATE CAPITAL CASES.—The laws of the United States shall not be construed to impose any requirement with respect to the appointment of counsel in any proceeding in a State court or other State proceeding in a capital case, other than any requirement imposed by the Constitution of the United States. In a proceeding under section 2254 of title 28, United States Code, relating to a State capital case, or any subsequent proceeding on review, appointment of counsel for a petitioner who is or becomes financially unable to afford counsel shall be in the discretion of the court, except as provided by a rule promulgated by the Supreme Court pursuant to statutory authority. Such appointment of counsel shall be governed by the provisions of section 3006A of this title.

**"§ 3599. Collateral attack on judgment imposing sentence of death**

"(a) TIME FOR MAKING SECTION 2255 MOTION.—In a case in which a sentence of death has been imposed, and the judgment has become final as described in section 3598(a)(3) of this title, a motion in the case under section 2255 of title 28, United States Code, must be filed within 90 days of the issuance of the order relating to appointment of counsel under section 3598(a)(3) of this title. The court in which the motion is filed, for good cause shown, may extend the time for filing for a period not exceeding 60 days. A motion described in this section shall have priority over all noncapital matters in the district court, and in the court of appeals on review of the district court's decision.

"(b) STAY OF EXECUTION.—The execution of a sentence of death shall be stayed in the course of direct review of the judgment and during the litigation of an initial motion in the case under section 2255 of title 28, United States Code. The stay shall run continuously following imposition of the sentence and shall expire if—

"(1) the defendant fails to file a motion under section 2255 of title 28, United States Code, within the time specified in subsection (a), or fails to make a timely application for court of appeals review following the denial of such a motion by a district court;

"(2) upon completion of district court and court of appeals review under section 2255 of title 28, United States Code, the motion under that section is denied and (A) the time for filing a petition for certiorari has expired and no petition has been filed; (B) a timely petition for certiorari was filed and the Supreme Court denied the petition; or (C) a timely petition for certiorari was filed and upon consideration of the case, the Supreme Court disposed of it in a manner that left the capital sentence undisturbed; or

"(3) before a district court, in the presence of counsel and after having been advised of the consequences of his decision, the defendant waives the right to file a motion under section 2255 of title 28, United States Code.

"(c) FINALITY OF THE DECISION ON REVIEW.—If one of the conditions specified in subsection (b) has occurred, no court thereafter shall have the authority to enter a stay of execution or grant relief in the case unless—

"(1) the basis for the stay and request for relief is a claim not presented in earlier proceedings;

"(2) the failure to raise the claim is (A) the result of governmental action in violation of the Constitution or laws of the United States; (B) the result of the Supreme Court recognition of a new Federal right that is retroactively applicable; or (C) based on a factual predicate that could not have been discovered through the exercise of reasonable diligence in time to present the claim in earlier proceedings; and

"(3) the facts underlying the claim would be sufficient, if proven, to undermine the court's confidence in the determination of guilt on the offense or offenses for which the death penalty was imposed."

(b) CLERICAL AMENDMENT.—The table of chapters at the beginning of part II of title 28, United States Code, is amended by inserting after the item relating to chapter 227 the following new item:

**"228. Death penalty procedures ..... 3591".**

**SEC. 3. CONFORMING AMENDMENT RELATING TO DESTRUCTION OF AIRCRAFT OR AIRCRAFT FACILITIES.**

Section 34 of title 18, United States Code, is amended by striking the comma after "im-

prisonment for life" and all that follows and inserting a period.

**SEC. 4. CONFORMING AMENDMENT RELATING TO ESPIONAGE.**

Section 794(a) of title 18, United States Code, is amended by inserting before the period at the end the following: ", except that the sentence of death shall not be imposed unless the jury or, if there is no jury, the court, further finds beyond a reasonable doubt at a hearing under section 3593 of this title that the offense directly concerned nuclear weaponry, military spacecraft and satellites, early warning systems, or other means of defense or retaliation against large-scale attack; war plans; communications intelligence or cryptographic information; sources or methods of intelligence or counterintelligence operations; or any other major weapons system or major element of defense strategy".

**SEC. 5. CONFORMING AMENDMENT RELATING TO TRANSPORTING EXPLOSIVES.**

Section 844(d) of title 18, United States Code, is amended by striking "as provided in section 34 of this title".

**SEC. 6. CONFORMING AMENDMENT RELATING TO MALICIOUS DESTRUCTION OF FEDERAL PROPERTY BY EXPLOSIVES.**

Section 844(f) of title 18, United States Code, is amended by striking "as provided in section 34 of this title".

**SEC. 7. CONFORMING AMENDMENT RELATING TO MALICIOUS DESTRUCTION OF INTERSTATE PROPERTY BY EXPLOSIVES.**

Section 844(i) of title 18, United States Code, is amended by striking "as provided in section 34 of this title".

**SEC. 8. CONFORMING AMENDMENT RELATING TO MURDER.**

The second paragraph of section 1111(b) of title 18, United States Code, is amended to read as follows:

"Whoever is guilty of murder in the first degree shall be punished by death or by imprisonment for life;"

**SEC. 9. CONFORMING AMENDMENT RELATING TO KILLING OFFICIAL GUESTS OR INTERNATIONALLY PROTECTED PERSONS.**

Section 1116(a) of title 18, United States Code, is amended by striking "any such person who is found guilty of murder in the first degree shall be sentenced to imprisonment for life, and".

**SEC. 10. MURDER BY FEDERAL PRISONER.**

(a) IN GENERAL.—Chapter 51 of title 18, United States Code, is amended by adding at the end the following:

**"§ 1118. Murder by a Federal prisoner**

"(a) Whoever, while confined in a Federal prison under a sentence for a term of life imprisonment, murders another shall be punished by death or by life imprisonment without the possibility of release or furlough.

"(b) For the purposes of this section—

"(1) 'Federal prison' means any Federal correctional, detention, or penal facility, Federal community treatment center, or Federal halfway house, or any such prison operated under contract with the Federal Government;

"(2) 'term of life imprisonment' means a sentence for the term of natural life, a sentence commuted to natural life, an indeterminate term of a minimum of at least 15 years and a maximum of life, or an unexecuted sentence of death."

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 51 of title 18, United States Code, is amended by adding at the end the following:

"1118. Murder by a Federal prisoner."

**SEC. 11. DEATH PENALTY RELATING TO KIDNAPING.**

Section 1201(a) of title 18, United States Code, is amended by inserting "and, if the death of any person results, shall be punished by death or life imprisonment" after "or for life".

**SEC. 12. DEATH PENALTY RELATING TO HOSTAGE TAKING.**

Section 1203(a) of title 18, United States Code, is amended by inserting "and, if the death of any person results, shall be punished by death or life imprisonment" after "or for life".

**SEC. 13. CONFORMING AMENDMENT RELATING TO MAILABILITY OF INJURIOUS ARTICLES.**

The last paragraph of section 1716 of title 18, United States Code, is amended by striking the comma after "imprisonment for life" and all that follows and inserting a period.

**SEC. 14. CONFORMING AMENDMENT RELATING TO PRESIDENTIAL ASSASSINATION.**

Subsection (c) of section 1751 of title 18, United States Code, is amended to read as follows:

"(c) Whoever attempts to murder or kidnap any individual designated in subsection (a) of this section shall be punished—

"(1) by imprisonment for any term of years or for life, or

"(2) by death or imprisonment for any term of years or for life, if the conduct constitutes an attempt to murder the President of the United States and results in bodily injury to the President or otherwise comes dangerously close to causing the death of the President."

**SEC. 15. CONFORMING AMENDMENT RELATING TO MURDER FOR HIRE.**

Section 1958(a) of title 18, United States Code, is amended by striking "and if death results, shall be subject to imprisonment for any term of years or for life, or shall be fined not more than \$50,000, or both" and inserting "and if death results, shall be punished by death or life imprisonment, or shall be fined under this title, or both".

**SEC. 16. CONFORMING AMENDMENT RELATING TO VIOLENT CRIMES IN AID OF RACKETEERING ACTIVITY.**

Paragraph (1) of section 1959(a) of title 18, United States Code, is amended to read as follows:

"(1) for murder, by death or life imprisonment, or a fine in accordance with this title, or both; and for kidnapping, by imprisonment for any term of years or for life, or a fine in accordance with this title, or both;"

**SEC. 17. CONFORMING AMENDMENT RELATING TO WRECKING TRAINS.**

The second to the last paragraph of section 1992 of title 18, United States Code, is amended by striking the comma after "imprisonment for life" and all that follows and inserting a period.

**SEC. 18. CONFORMING AMENDMENT RELATING TO BANK ROBBERY.**

Section 2113(e) of title 18, United States Code, is amended by striking "or punished by death if the verdict of the jury shall so direct" and inserting "or if death results shall be punished by death or life imprisonment".

**SEC. 19. CONFORMING AMENDMENT RELATING TO TERRORIST ACTS.**

Paragraph (1) of subsection 2331(a) of title 18 of the United States Code is amended to read as follows:

"(1)(A) if the killing is a first degree murder as defined in section 1111(a) of this title, be punished by death or imprisonment for any term of years or for life, or be fined under this title, or both; and

"(B) if the killing is a murder other than a first degree murder as defined in section

1111(a) of this title, be fined under this title or imprisoned for any term of years or for life, or both so fined and so imprisoned."

**SEC. 20. CONFORMING AMENDMENT RELATING TO AIRCRAFT HIJACKING.**

Section 903 of the Federal Aviation Act of 1958 (49 U.S.C. APP. 1473), is amended by striking subsection (c).

**SEC. 21. APPLICATION TO UNIFORM CODE OF MILITARY JUSTICE.**

Chapter 228 of title 18 of the United States Code, as added by this Act, does not apply to prosecutions under the Uniform Code of Military Justice (10 U.S.C. 801 et seq.).

**SEC. 22. CONFORMING AMENDMENT RELATING TO GENOCIDE.**

Section 1091(b)(1) of title 18, United States Code, is amended by striking "a fine of not more than \$1,000,000 and imprisonment for life" and inserting in lieu thereof "by death or imprisonment for life, or a fine of not more than \$1,000,000, or both".

**SEC. 23. CONFORMING AMENDMENT RELATING TO PROTECTION OF COURT OFFICERS AND JURORS.**

Section 1503 of title 18, United States Code, is amended—

(1) by striking "Whoever corruptly" and inserting "(a) Whoever corruptly";

(2) in subsection (a) (as so designated), by striking "fined not more than \$5,000 or imprisoned not more than five years, or both" and inserting "punished as provided in subsection (b)"; and

(3) by adding at the end the following:

"(b) The punishment for an offense under this section is—

"(1) in the case of a killing, the punishment provided in sections 1111 and 1112 of this title;

"(2) in the case of an attempted killing, imprisonment for not more than 20 years; and

"(3) in any other case, imprisonment for not more than 10 years."

**SEC. 24. CONFORMING AMENDMENT RELATING TO PROHIBITION OF RETALIATORY KILLINGS OF WITNESSES, VICTIMS, AND INFORMANTS.**

Section 1513 of title 18, United States Code, is amended—

(1) by redesignating subsections (a) and (b) as subsections (b) and (c) respectively;

(2) by inserting before subsection (b) (as so redesignated) the following:

"(a)(1) Whoever kills or attempts to kill another person with intent to retaliate against any person for—

"(A) the attendance of a witness or party at an official proceeding, or any testimony given or any record, document, or other object produced by a witness in an official proceeding; or

"(B) any information relating to the commission or possible commission of a Federal offense or a violation of conditions of probation, parole, or release pending judicial proceedings given by a person to a law enforcement officer;

shall be punished as provided in paragraph (2).

"(2) The punishment for an offense under this subsection is—

"(A) in the case of a killing, the punishment provided in sections 1111 and 1112 of this title; and

"(B) in the case of an attempt, imprisonment for not more than 20 years."

**SEC. 25. APPLICATION TO DRUG KINGPINS.**

Title II of the Controlled Substances Act (21 U.S.C. 801 et seq.) is amended by inserting after section 408 the following:

"DEATH PENALTY FOR DRUG KINGPINS

"SEC. 408A. (a) IN GENERAL.—A defendant who has been found guilty of—

"(1) an offense referred to in section 408(c)(1) (21 U.S.C. 848(c)(1)), committed as part of a continuing criminal enterprise offense under the conditions described in subsection (b) of that section;

"(2) an offense referred to in section 408(c)(1) (21 U.S.C. 848(c)(1)), committed as part of a continuing criminal enterprise offense under that section, where the defendant is a principal administrator, organizer or leader of such an enterprise, and the defendant, in order to obstruct the investigation or prosecution of an enterprise or an offense involved in the enterprise, attempts to kill or knowingly directs, advises, authorizes, or assists another to attempt to kill any public officer, juror, witness, or member of the family or household of such a person; or

"(3) an offense constituting a felony violation of this Act (21 U.S.C. 801 et seq.), the Controlled Substance Import and Export Act (21 U.S.C. 951 et seq.), or the Maritime-Drug Law Enforcement Act (46 U.S.C. App. 1901 et seq.), where the defendant, intending to cause death or acting with reckless disregard for human life, engaged in such a violation, and the death of another person results in the course of the violation or from the use of the controlled substance involved in the violation,

shall be sentenced to death if, after consideration of the procedures set forth in chapter 228 of title 18, United States Code, and subject to the consideration of the additional aggravating factors set forth in subsection (b), it is determined that imposition of a sentence of death is justified.

"(b) ADDITIONAL AGGRAVATING FACTORS.—In addition to the aggravating factors set forth in section 3592(c) of title 18, United States Code, the following aggravating factors shall be considered in determining whether a sentence of death is justified for an offense under this section:

"(1) DISTRIBUTION TO PERSONS UNDER TWENTY-ONE.—The offense, or a continuing criminal enterprise of which the offense was a part, involved a violation of section 405 of this Act which was committed directly by the defendant or for which the defendant would be liable under section 2 of title 18, United States Code.

"(2) DISTRIBUTION NEAR SCHOOLS.—The offense, or a continuing criminal enterprise of which the offense was a part, involved a violation of section 405A of this Act which was committed directly by the defendant or for which the defendant would be liable under section 2 of title 18, United States Code.

"(3) USING MINORS IN TRAFFICKING.—The offense, or a continuing criminal enterprise of which the offense was a part, involved a violation of section 405B of this Act which was committed directly by the defendant or for which the defendant would be liable under section 2 of title 18, United States Code.

"(4) LETHAL ADULTERANT.—The offense involved the importation, manufacture, or distribution of a controlled substance mixed with a potentially lethal adulterant, and the defendant was aware of the presence of the adulterant."

By Mr. SPECTER:

S. 248. A bill to establish constitutional procedures for the imposition of the death penalty for terrorist murders; to the Committee on the Judiciary.

TERRORIST DEATH PENALTY ACT OF 1993

Mr. SPECTER. Mr. President, today I am again introducing legislation entitled "Terrorist Death Penalty Act of

1993." I have been seeking to enact a constitutional death penalty statute, for terrorists who murder U.S. citizens overseas, for some time now. In the 102d Congress, my amendment to this effect to the Export Administration reauthorization bill was adopted by the Senate during the gulf war in 1991. By the end of Congress, however, the death penalty for terrorists provisions were removed from the conference report. In light of the problem of terrorism against U.S. citizens around the world, this legislation is still urgently needed.

I believe that despite the absence of news coverage of terrorist attacks over the past year, we continue to face an unusual threat from terrorism. It may surprise people to know there is no death penalty on the books to impose capital punishment on terrorists who murder a U.S. citizen anywhere in the world, and that it is an oversight which needs to be corrected promptly.

This Senator has been working on this issue since 1985 when I introduced S. 1108, which would have provided for the death penalty for a terrorist who murdered U.S. citizens during a hostage taking.

Then, in 1986, legislation was enacted which I had introduced making it a violation of U.S. law for a terrorist to assault, maim, or murder a citizen of the United States anywhere in the world. For those who may not know of the technical jurisdiction considerations, it is customary that a crime is prosecuted in the jurisdiction where the offense is committed. If a murder occurs in Pennsylvania, it is prosecutable in Pennsylvania. As a matter of United States and international law, the United States may assert jurisdiction for a murder of a U.S. citizen anywhere in the world because of the nexus, the legal word meaning connection, with a U.S. interest in the prosecution of that crime, even though it occurs outside of the United States. This is called extraterritorial jurisdiction. That was the basis for the 1984 legislation making it a violation of U.S. law to have a hijacking of a U.S. plane or to have a hostage taking of a U.S. citizen, and the extraterritorial jurisdiction was the basis of legislation introduced by this Senator, which was enacted in 1986, which makes it a violation of U.S. law to assault, maim, or murder a citizen of the United States anywhere in the world.

Thus, there was a major gap prior to 1986, illustrated by the murders in the Vienna and Rome airports in December 1985, when grenades were thrown and machine gun fire sprayed in those airports and many people were murdered or wounded. We now have, as a matter of U.S. law, that it is a violation of our laws to murder a citizen of the United States anywhere in the world, but the death penalty is not provided under existing legislation.

On January 25, 1989, I introduced S. 36 providing for the death penalty for

terrorists. I then offered it as an amendment on July 20, 1989, to the 1990 Foreign Relations Authorization Act. At the urging of the majority leader I withheld pressing that amendment. Later there was a scheduled floor debate on the bill and it was passed on October 26, 1989, by a vote of 79 to 20. Unfortunately, the death penalty for terrorists was not agreed to by the House-Senate conference.

As I previously noted, I tried to get the Congress to adopt the death penalty for terrorist murders during the gulf war to act as a deterrent to potential terrorist attacks. Again, the House conferees to the bill refused to adopt the Senate-passed terrorist death penalty provision. It continues to be vitally important, I submit that the matter be taken up and acted upon promptly.

It should be noted that it is not fanciful or farfetched to bring terrorists to trial in U.S. courts. We have already had a terrorist, Fawaz Yunis, who was brought back to the United States. He was apprehended by the FBI in the Mediterranean for a terrorist act committed outside the United States, a hijacking, and brought back to the United States for trial. He was convicted and is now serving in a Federal penitentiary.

U.S. law ought to be available to vindicate U.S. interests if a terrorist attacks a U.S. citizen anywhere in the world. For an act of terrorist murder, the death penalty ought to be available. The possible defendants would range anywhere from the individual who pulls the trigger or launches a missile, to possibly the head of State of Iraq and those in between who are responsible for a terrorist act, such as firing missiles at civilian populations against whom no state of war exists.

There is a question some might raise about the deterrent effect of this kind of legislation. I suggest the apprehension of Fawaz Yunis, who is now in a Federal penitentiary, had a significant effect on terrorists. Enforcement of the law always has a deterrent effect on violent crime. It is true that some terrorists act irrationally and will never be deterred by a death penalty. But many others may well refrain from carrying out attacks on American citizens if they know that this country will enforce its laws overseas. Fawaz Yunis is instructive to the terrorists. A death penalty statute would be equally instructive and, I believe an effective deterrent.

We have already had one example of the concern with which terrorists view the U.S. justice system. When we had the case of the murder of Marine Corps Col. Rich Higgins, serving with the United Nations forces in Lebanon, and we had Sheik Obeid involved. One of the concerns Sheik Obeid had was in coming to a U.S. court or U.S. prison, where there would be no way to buy his way out or maneuver his way out.

Similarly there is the case of Colombian drug terrorists, who have been very much in the news the past couple of years, and United States extradition of those criminals. That is a separate subject and one where the United States, I think, has to continue to press hard to resume extradition for the drug dealers who send drugs into the United States; especially as Colombia has shown it is unable to keep the most important prisoners in jail, even a luxurious prison designed for Pablo Escobar. The point I am making is limited to the known fact that the Colombian drug dealers are very fearful about landing in a United States court and in a United States jail where they cannot maneuver or buy their way out of that kind of a prosecution. So the aspect of deterrence is present. The aspect of punishment is present. The aspect of social vindication is present. These are matters I hope the Senate will act on promptly, and the Congress will act on promptly, because of the immense importance of this issue at the present time.

So the record may be complete, I will have printed in the RECORD the more extended comments which I made on October 26, 1989, on the consideration of the death penalty for terrorists, on the occasion when it was enacted by the Senate 79 to 20, which sets forth in more detail my reasoning and the precedents on the international legal aspects, and also on the deterrent aspects.

I ask unanimous consent that that statement be printed in the RECORD at the close of my remarks.

I further ask unanimous consent that the text of a Congressional Research Service Issue Brief be printed at the conclusion of my remarks, since this research brief recounts and updates terrorist incidents involving U.S. citizens or property from 1980 to 1991, which was updated December 12, 1991, and gives a comprehensive picture of the problems of terrorism.

Mr. President, I also ask unanimous consent that a full copy of the text of the bill, the Terrorist Death Penalty Act of 1993, be printed also at the close of my remarks. I thank the Chair and yield the floor.

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

S. 248

*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 "Terrorist Death Penalty Act of 1993".

**SEC. 2. DEATH PENALTY FOR TERRORIST ACTS.**

(a) OFFENSE.—Paragraph (1) of subsection 2331(a) of title 18 of the United States Code is amended to read as follows:

"(1)(A) if the killing is a first degree murder as defined in section 1111(a) of this title, be punished by death or imprisonment for any term of years or for life, or be fined under this title, or both; and

"(B) if the killing is a murder other than a first degree murder as defined in section 1111(a) of this title, be fined under this title or imprisoned for any term of years or for life, or both so fined and so imprisoned;"

(b) DEATH PENALTY.—Section 2331 of title 18, United States Code, is amended by adding at the end thereof the following:

"(f) DEATH PENALTY.—

"(1) SENTENCE OF DEATH.—A defendant who has been found guilty of an offense under subsection (a)(1)(A), if the defendant, as determined beyond a reasonable doubt at a hearing under paragraph (3) either—

"(A) intentionally killed the victim;

"(B) intentionally participated in an act, contemplating that the life of a person would be taken or intending that lethal force would be used in connection with a person, other than one of the participants in the offense, and the victim died as a direct result of the act; or

"(C) acting with reckless disregard for human life, engaged or substantially participated in conduct which the defendant knew would create a grave risk of death to another person or persons and death resulted from such conduct,

shall be sentenced to death if, after consideration of the factors set forth in paragraph (2) in the course of a hearing held under paragraph (3), it is determined that imposition of a sentence of death is justified, except that no person may be sentenced to death who was less than 18 years of age at the time of the offense.

"(2) FACTORS TO BE CONSIDERED IN DETERMINING WHETHER A SENTENCE OF DEATH IS JUSTIFIED.—

"(A) MITIGATING FACTORS.—In determining whether a sentence of death is justified for any offense, the jury, or if there is no jury, the court, shall consider each of the following mitigating factors and determine which, if any, exist:

"(i) MENTAL CAPACITY.—The defendant's mental capacity to appreciate the wrongfulness of the defendant's conduct or to conform the defendant's conduct to the requirements of law was significantly impaired, regardless of whether the capacity was so impaired as to constitute a defense to the charge.

"(ii) DURESS.—The defendant was under unusual and substantial duress, regardless of whether the duress was of such a degree as to constitute a defense to the charge.

"(iii) PARTICIPATION IN OFFENSE MINOR.—The defendant is punishable as a principal (as defined in section 2 of title 18 of the United States Code) in the offense, which was committed by another, but the defendant's participation was relatively minor, regardless of whether the participation was so minor as to constitute a defense to the charge.

The jury, or if there is no jury, the court, shall consider whether any other aspect of the defendant's character or record or any other circumstances of the offense that the defendant may proffer as a mitigating factor exists.

"(B) AGGRAVATING FACTORS FOR HOMICIDE.—In determining whether a sentence of death is justified for an offense described in paragraph (1), the jury, or if there is no jury, the court, shall consider each of the following aggravating factors and determine which, if any, exist:

"(i) DEATH OCCURRED DURING COMMISSION OF ANOTHER CRIME.—The death occurred during the commission or attempted commission of, or during the immediate flight from the commission of, an offense under section 751

(prisoners in custody of institution or officer), section 794 (gathering or delivering defense information to aid foreign government), section 844(d) (transportation of explosives in interstate commerce for certain purposes), section 844(f) (destruction of Government property by explosives), section 1201 (kidnapping), or section 2381 (treason) of this title, section 1826 of title 28 (persons in custody as recalcitrant witnesses or hospitalized following a finding of not guilty only by reason of insanity), or section 902 (i) or (n) of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1472 (i) or (n) (aircraft piracy)).

“(i) INVOLVEMENT OF FIREARM OR PREVIOUS CONVICTION OF VIOLENT FELONY INVOLVING FIREARM.—The defendant—

“(I) during and in relation to the commission of the offense or in escaping apprehension used or possessed a firearm as defined in section 921 of this title; or

“(II) has previously been convicted of a Federal or State offense punishable by a term of imprisonment of more than one year, involving the use or attempted or threatened use of a firearm, as defined in section 921 of this title, against another person.

“(iii) PREVIOUS CONVICTION OF OFFENSE FOR WHICH A SENTENCE OF DEATH OR LIFE IMPRISONMENT WAS AUTHORIZED.—The defendant has previously been convicted of another Federal or State offense resulting in the death of a person, for which a sentence of life imprisonment or death was authorized by statute.

“(iv) PREVIOUS CONVICTION OF OTHER SERIOUS OFFENSES.—The defendant has previously been convicted of 2 or more Federal or State offenses, each punishable by a term of imprisonment of more than one year, committed on different occasions, involving the importation, manufacture, or distribution of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)) or the infliction of, or attempted infliction of, serious bodily injury or death upon another person.

“(v) GRAVE RISK OF DEATH TO ADDITIONAL PERSONS.—The defendant, in the commission of the offense or in escaping apprehension, knowingly created a grave risk of death to one or more persons in addition to the victim of the offense.

“(vi) HEINOUS, CRUEL, OR DEPRAVED MANNER OF COMMISSION.—The defendant committed the offense in an especially heinous, cruel, or depraved manner in that it involved torture or serious physical abuse to the victim.

“(vii) PROCUREMENT OF OFFENSE BY PAYMENT.—The defendant procured the commission of the offense by payment, or promise of payment, of anything of pecuniary value.

“(viii) COMMISSION OF THE OFFENSE FOR PECUNIARY GAIN.—The defendant committed the offense as consideration for the receipt, or in the expectation of the receipt, of anything of pecuniary value.

“(ix) SUBSTANTIAL PLANNING AND PREMEDITATION.—The defendant committed the offense after substantial planning and premeditation.

“(x) VULNERABILITY OF VICTIM.—The victim was particularly vulnerable due to old age, youth, or infirmity.

“(xi) TYPE OF VICTIM.—The defendant committed the offense against—

“(I) the President of the United States, the President-elect, the Vice President, the Vice President-elect, the Vice President-designate, or, if there is no Vice President, the officer next in order of succession to the office of the President of the United States, or any person who is acting as President under the Constitution and laws of the United States;

“(II) a chief of state, head of government, or the political equivalent, of a foreign nation;

“(III) a foreign official listed in section 1116(b)(3)(A) of this title, if that official is in the United States on official business; or

“(IV) a public servant who is a Federal judge, a Federal law enforcement officer, an employee (including a volunteer or contract employee) of a Federal prison, or an official of the Federal Bureau of Prisons—

“(aa) while such public servant is engaged in the performance of the public servant's official duties;

“(bb) because of the performance of such public servant's official duties; or

“(cc) because of such public servant's status as a public servant.

For purposes of this clause, the terms ‘President-elect’ and ‘Vice President-elect’ mean such persons as are the apparent successful candidates for the offices of President and Vice President, respectively, as ascertained from the results of the general elections held to determine the electors of President and Vice President in accordance with title 3, United States Code, sections 1 and 2; a ‘Federal law enforcement officer’ is a public servant authorized by law or by a government agency or Congress to conduct or engage in the prevention, investigation, or prosecution of an offense; ‘Federal prison’ means a Federal correctional, detention, or penal facility, Federal community treatment center, or Federal halfway house, or any such prison operated under contract with the Federal Government; and ‘Federal judge’ means any judicial officer of the United States, and includes a justice of the Supreme Court and a magistrate.

The jury, or if there is no jury, the court, may consider whether any other aggravating factor exists.

“(3) SPECIAL HEARING TO DETERMINE WHETHER A SENTENCE OF DEATH IS JUSTIFIED.—

“(A) NOTICE BY THE GOVERNMENT.—Whenever the Government intends to seek the death penalty for an offense described in paragraph (1), the attorney for the Government, a reasonable time before the trial, or before acceptance by the court of a plea of guilty, or at such time thereafter as the court may permit upon a showing of good cause, shall sign and file with the court, and serve on the defendant, a notice—

“(i) that the Government in the event of conviction will seek the sentence of death; and

“(ii) setting forth the aggravating factor or factors enumerated in paragraph (2) and any other aggravating factor not specifically enumerated in paragraph (2), that the Government, if the defendant is convicted, will seek to prove as the basis for the death penalty.

The court may permit the attorney for the Government to amend the notice upon a showing of good cause.

“(B) HEARING BEFORE A COURT OR JURY.—When the attorney for the Government has filed a notice as required under subparagraph (A) and the defendant is found guilty of an offense described in paragraph (1), the judge who presided at the trial or before whom the guilty plea was entered, or another judge if that judge is unavailable, shall conduct a separate sentencing hearing to determine the punishment to be imposed. Before such a hearing, no presentence report shall be prepared by the United States Probation Service, notwithstanding the Federal Rules of Criminal Procedure. The hearing shall be conducted—

“(i) before the jury that determined the defendant's guilt;

“(ii) before a jury impaneled for the purpose of the hearing if—

“(I) the defendant was convicted upon a plea of guilty;

“(II) the defendant was convicted after a trial before the court sitting without a jury;

“(III) the jury that determined the defendant's guilt was discharged for good cause; or

“(IV) after initial imposition of a sentence under this paragraph, reconsideration of the sentence under the section is necessary; or

“(iii) before the court alone, upon motion of the defendant and with the approval of the attorney for the Government.

A jury impaneled pursuant to clause (ii) shall consist of 12 members, unless, at any time before the conclusion of the hearing, the parties stipulate, with the approval of the court, that it shall consist of a lesser number.

“(C) PROOF OF MITIGATING AND AGGRAVATING FACTORS.—At the hearing, information may be presented as to—

“(i) any matter relating to any mitigating factor listed in paragraph (2) and any other mitigating factor; and

“(ii) any matter relating to any aggravating factor listed in paragraph (2) for which notice has been provided under subparagraph (A)(i) and (if information is presented relating to such a listed factor) any other aggravating factor for which notice has been so provided.

Information presented may include the trial transcript and exhibits. Any other information relevant to such mitigating or aggravating factors may be presented by either the government or the defendant, regardless of its admissibility under the rules governing admission of evidence at criminal trials, except that information may be excluded if its probative value is outweighed by the danger of creating unfair prejudice, confusing the issues, or misleading the jury. The attorney for the Government and for the defendant shall be permitted to rebut any information received at the hearing, and shall be given fair opportunity to present argument as to the adequacy of the information to establish the existence of any aggravating or mitigating factor, and as to the appropriateness in that case of imposing a sentence of death. The attorney for the Government shall open the argument. The defendant shall be permitted to reply. The Government shall then be permitted to reply in rebuttal. The burden of establishing the existence of an aggravating factor is on the Government, and is not satisfied unless the existence of such a factor is established beyond a reasonable doubt. The burden of establishing the existence of any mitigating factor is on the defendant, and is not satisfied unless the existence of such a factor is established by a preponderance of the evidence.

“(D) RETURN OF SPECIAL FINDINGS.—The jury, or if there is no jury, the court, shall consider all the information received during the hearing. It shall return special findings identifying any aggravating factor or factors set forth in paragraph (2) of this title found to exist and any other aggravating factor for which notice has been provided under subparagraph (A) found to exist. A finding with respect to a mitigating factor may be made by one or more members of the jury, and any member of the jury who finds the existence of a mitigating factor may consider such factor established for purposes of this section regardless of the number of jurors who concur that the factor has been established. A finding with respect to any aggravating fac-

factor must be unanimous. If no aggravating factor set forth in paragraph (2) is found to exist, the court shall impose a sentence other than death authorized by law.

"(E) RETURN OF A FINDING CONCERNING A SENTENCE OF DEATH.—If an aggravating factor required to be considered under paragraph (2)(C) is found to exist the jury, or if there is no jury, the court, shall then consider whether the aggravating factor or factors found to exist outweigh any mitigating factor or factors. The jury, or if there is no jury, the court, shall recommend a sentence of death if it unanimously finds at least one aggravating factor and no mitigating factor or if it finds one or more aggravating factors which outweigh any mitigating factors. In any other case, it shall not recommend a sentence of death. The jury shall be instructed that it must avoid any influence of sympathy, sentiment, passion, prejudice, or other arbitrary factors in its decision, and should make such a recommendation as the information warrants.

"(F) SPECIAL PRECAUTION TO ASSURE AGAINST DISCRIMINATION.—In a hearing held before a jury, the court, before the return of a finding under subparagraph (E), shall instruct the jury that, in considering whether a sentence of death is justified, it shall not consider the race, color, religious beliefs, national origin, or sex of the defendant or of any victim and that the jury is not to recommend a sentence of death unless it has concluded that it would recommend a sentence of death for the crime in question no matter what the race, color, religious beliefs, national origin, or sex of the defendant or of any victim may be. The jury, upon return of a finding under subparagraph (E), shall also return to the court a certificate, signed by each juror, that consideration of the race, color, religious beliefs, national origin, or sex of the defendant or any victim was not involved in reaching the juror's individual decision and that the individual juror would have made the same recommendation regarding a sentence for the crime in question no matter what the race, color, religious beliefs, national origin, or sex of the defendant or any victim may be.

"(4) IMPOSITION OF A SENTENCE OF DEATH.—Upon the recommendation under paragraph (3)(E) that a sentence of death be imposed, the court shall sentence the defendant to death. Otherwise the court shall impose a sentence, other than death, authorized by law. Notwithstanding any other provision of law, if the maximum term of imprisonment for the offense is life imprisonment, the court may impose a sentence of life imprisonment without the possibility of release or furlough.

(5) REVIEW OF A SENTENCE OF DEATH.—

"(A) APPEAL.—In a case in which a sentence of death is imposed, the sentence shall be subject to review by the court of appeals upon appeal by the defendant. Notice of appeal of the sentence must be filed within the time specified for the filing of a notice of appeal of the judgment of conviction. An appeal of the sentence under this paragraph may be consolidated with an appeal of the judgment of conviction and shall have priority over all other cases.

"(B) REVIEW.—The court of appeals shall review the entire record in the case, including—

- "(i) the evidence submitted during the trial;
- "(ii) the information submitted during the sentencing hearing;
- "(iii) the procedures employed in the sentencing hearing; and

"(iv) the special findings returned under paragraph (3)(D).

"(C) DECISION AND DISPOSITION.—

"(i) If the court of appeals determines that—

"(I) the sentence of death was not imposed under the influence of passion, prejudice, or any other arbitrary factor; and

"(II) the evidence and information support the special findings of the existence of an aggravating factor or factors;

it shall affirm the sentence.

"(ii) In any other case, the court of appeals shall remand the case for reconsideration under paragraph (3) of this title or for imposition of another authorized sentence as appropriate.

"(iii) The court of appeals shall state in writing the reasons for its disposition of an appeal of sentence of death under this paragraph.

"(6) IMPLEMENTATION OF A SENTENCE OF DEATH.—

"(A) IN GENERAL.—A person who has been sentenced to death pursuant to this subsection shall be committed to the custody of the Attorney General until exhaustion of the procedures for appeal of the judgment of conviction and for review of the sentence. When the sentence is to be implemented, the Attorney General shall release the person sentenced to death to the custody of a United States marshal, who shall supervise implementation of the sentence in the manner prescribed by the law of the State in which the sentence is imposed. If the law of such State does not provide for implementation of a sentence of death, the court shall designate another State, the law of which does so provide, and the sentence shall be implemented in the manner prescribed by such law.

"(B) IMPAIRED MENTAL CAPACITY, AGE, OR PREGNANCY.—A sentence of death shall not be carried out upon a person who is under 18 years of age at the time the crime was committed. A sentence of death shall not be carried out upon a person who is mentally retarded. A sentence of death shall not be carried out upon a person who, as a result of mental disability—

"(i) cannot understand the nature of the pending proceedings, what such person was tried for, the reason for the punishment, or the nature of the punishment; or

"(ii) lacks the capacity to recognize or understand facts which would make the punishment unjust or unlawful or lacks the ability to convey such information to counsel or to the court.

A sentence of death shall not be carried out upon a woman while she is pregnant.

"(C) EMPLOYEES MAY DECLINE TO PARTICIPATE.—No employee of any State department of corrections or the Federal Bureau of Prisons and no employee providing services to that department or bureau under contract shall be required, as a condition of that employment or contractual obligation, to be in attendance at or to participate in any execution carried out under this paragraph, if such participation is contrary to the moral or religious convictions of the employee. For purposes of this subparagraph, the term 'participate in any execution' includes personal preparation of the condemned individual and the apparatus used for the execution, and supervision of the activities of other personnel in carrying out such activities.

"(7) USE OF STATE FACILITIES.—A United States marshal charged with supervising the implementation of a sentence of death may use appropriate State or local facilities for the purpose, may use the services of an appropriate State or local official or of a per-

son such as an official employed for the purpose, and shall pay the costs thereof in an amount approved by the Attorney General.

"(8) APPOINTMENT OF COUNSEL.—

"(A) FEDERAL CAPITAL CASES.—

"(i) REPRESENTATION OF INDIGENT DEFENDANTS.—Notwithstanding any other provision of law, this subparagraph shall govern the appointment of counsel for any defendant against whom a sentence of death is sought, or on whom a sentence of death has been imposed, for an offense against the United States, where the defendant is or becomes financially unable to obtain adequate representation. Such a defendant shall be entitled to appointment of counsel from the commencement of trial proceedings until one of the conditions specified in paragraph (9)(B) has occurred.

"(ii) REPRESENTATION BEFORE FINALITY OF JUDGMENT.—A defendant within the scope of this subparagraph shall have counsel appointed for trial representation as provided in section 3005 of this title. At least one counsel so appointed shall continue to represent the defendant until the conclusion of direct review of the judgment, unless replaced by the court with other qualified counsel.

"(iii) REPRESENTATION AFTER FINALITY OF JUDGMENT.—When a judgment imposing a sentence of death has become final through affirmation by the Supreme Court on direct review, denial of certiorari by the Supreme Court on direct review, or expiration of the time for seeking direct review in the court of appeals or the Supreme Court, the Government shall promptly notify the district court that imposed the sentence. Within 10 days of receipt of such notice, the district court shall proceed to make a determination whether the defendant is eligible under this subparagraph for appointment of counsel for subsequent proceedings. On the basis of the determination, the court shall issue an order (I) appointing one or more counsel to represent the defendant upon a finding that the defendant is financially unable to obtain adequate representation and wishes to have counsel appointed or is unable competently to decide whether to accept or reject appointment of counsel; (II) finding, after a hearing if necessary, that the defendant rejected appointment of counsel and made the decision with an understanding of its legal consequences; or (III) denying the appointment of counsel upon a finding that the defendant is financially able to obtain adequate representation. Counsel appointed pursuant to this clause shall be different from the counsel who represented the defendant at trial and on direct review unless the defendant and counsel request a continuation or renewal of the earlier representation.

"(iv) STANDARDS FOR COMPETENCE OF COUNSEL.—In relation to a defendant who is entitled to appointment of counsel under this subparagraph, at least one counsel appointed for trial representation must have been admitted to the bar for at least 5 years and have at least 3 years of experience in the trial of felony cases in the Federal district courts. If new counsel is appointed after judgment, at least one counsel so appointed must have been admitted to the bar for at least 5 years and have at least 3 years of experience in the litigation of felony cases in the Federal courts of appeals or the Supreme Court. The court, for good cause, may appoint counsel who does not meet these standards, but whose background, knowledge, or experience would otherwise enable him or her to properly represent the defendant, with due consideration of the seriousness of the penalty and the nature of the litigation.

"(v) APPLICABILITY OF CRIMINAL JUSTICE ACT.—Except as otherwise provided in this subparagraph, the provisions of section 3006A of this title shall apply to appointments under this subparagraph.

"(vi) CLAIMS OF INEFFECTIVENESS OF COUNSEL.—The ineffectiveness or incompetence of counsel during proceedings on a motion under section 2255 of title 28, United States Code, in a capital case shall not be a ground for relief from the judgment or sentence in any proceeding. This limitation shall not preclude the appointment of different counsel at any stage of the proceedings.

"(B) STATE CAPITAL CASES.—The laws of the United States shall not be construed to impose any requirement with respect to the appointment of counsel in any proceeding in a State court or other State proceeding in a capital case, other than any requirement imposed by the Constitution of the United States. In a proceeding under section 2254 of title 28, United States Code, relating to a State capital case, or any subsequent proceeding on review, appointment of counsel for a petitioner who is or becomes financially unable to afford counsel shall be in the discretion of the court, except as provided by a rule promulgated by the Supreme Court pursuant to statutory authority. Such appointment of counsel shall be governed by the provisions of section 3006A of this title.

"(9) COLLATERAL ATTACK ON JUDGMENT IMPOSING SENTENCE OF DEATH.—

"(A) TIME FOR MAKING SECTION 2255 MOTION.—In a case in which a sentence of death has been imposed, and the judgment has become final as described in paragraph (8)(A)(ii), a motion in the case under section 2255 of title 28, United States Code, must be filed within 90 days of the issuance of the order relating to appointment of counsel under paragraph (8)(A)(iii). The court in which the motion is filed, for good cause shown, may extend the time for filing for a period not exceeding 60 days. A motion described in this paragraph shall have priority over all noncapital matters in the district court, and in the court of appeals on review of the district court's decision.

"(B) STAY OF EXECUTION.—The execution of a sentence of death shall be stayed in the course of direct review of the judgment and during the litigation of an initial motion in the case under section 2255 of title 28, United States Code. The stay shall run continuously following imposition of the sentence and shall expire if—

"(i) the defendant fails to file a motion under section 2255 of title 28, United States Code, within the time specified in subparagraph (A), or fails to make a timely application for court of appeals review following the denial of such a motion by a district court;

"(ii) upon completion of district court and court of appeals review under section 2255 of title 28, United States Code, the motion under that section is denied and (I) the time for filing a petition for certiorari has expired and no petition has been filed; (II) a timely petition for certiorari was filed and the Supreme Court denied the petition; or (III) a timely petition for certiorari was filed and upon consideration of the case, the Supreme Court disposed of it in a manner that left the capital sentence undisturbed; or

"(iii) before a district court, in the presence of counsel and after having been advised of the consequences of his decision, the defendant waives the right to file a motion under section 2255 of title 28, United States Code.

"(C) FINALITY OF THE DECISION ON REVIEW.—If one of the conditions specified in subpara-

graph (B) has occurred, no court thereafter shall have the authority to enter a stay of execution or grant relief in the case unless—

"(i) the basis for the stay and request for relief is a claim not presented in earlier proceedings;

"(ii) the failure to raise the claim is (I) the result of governmental action in violation of the Constitution or laws of the United States; (II) the result of the Supreme Court recognition of a new Federal right that is retroactively applicable; or (III) based on a factual predicate that could not have been discovered through the exercise of reasonable diligence in time to present the claim in earlier proceedings; and

"(iii) the facts underlying the claim would be sufficient, if proven, to undermine the court's confidence in the determination of guilt on the offense or offenses for which the death penalty was imposed."

[From the CONGRESSIONAL RECORD, Oct. 26, 1989]

Mr. SPECTER. Mr. President, this bill proposes a death penalty along with a possible life imprisonment for an act of murder by a terrorist against a U.S. citizen anywhere in the world.

Mr. President, the death penalty is a very important weapon in the war against violent crime, generally, which includes the war against drugs and the war against terrorists. Most people would be surprised to know that there had not been an effective Federal law imposing the death penalty since 1972.

Mr. President, may we have order in the Senate?

The PRESIDENT pro tempore. The Senate will be in order.

Mr. SPECTER. As I was saying, most people would be surprised to know that there had not been the availability of the death penalty for any Federal crime since 1972, until last year, when Congress enacted legislation providing for the death penalty for major drug dealers, where death results. That is aside from the Uniform Code of Military Justice.

In 1972, the Supreme Court of the United States, in a landmark decision captioned *Furman versus Georgia*, the Supreme Court said that the death penalty could not be constitutionally imposed in the absence of mitigating and aggravating circumstances being considered by a jury, in order to eliminate indiscriminate application of the death penalty.

Although there are many Federal offenses traditionally which had called for the death penalty—treason, espionage, murder, assassination of an American President, explosives causing death, train wrecks causing death—the Congress had never been able to bring back the death penalty until last year when, in the midst of the great national concern over the drug issue, the death penalty was brought back for that limited item.

Mr. President, I believe that the death penalty is necessary as an important weapon against the war on violent crime, and that it ought to be available on an act like terrorism, resulting in the death of U.S. citizens.

It ought to be available more broadly, but the issue which we have before us at the moment is limited to that one item. When we consider the incidents of terrorism, Mr. President, and recall just a few of the atrocities involving mass murders of U.S. citizens, I think it becomes very apparent why the death penalty is an appropriate penalty.

Less than a year ago, on December 21, 1988, in the famous Pan Am 103 tragedy, that plane was blown up by a terrorist bomb over

Lockerbie, Scotland, and 259 passengers were brutally murdered; 79 of those 259 passengers were women and children, with 189 United States citizens.

Just a few months ago, on July 31, 1989, Lt. Col. Higgins was reportedly hanged by Hezbollah captors in retaliation for the Sheikh Obeid incident, bringing an outraged reaction worldwide. Regrettably, our outrage on incidents like Colonel Higgins and like Pan Am 103 are short lived. We have to continue our focus on them, and see to it that appropriate responses are undertaken.

Mr. President, there is a long line of terrorist activities resulting in deaths of U.S. citizens which, regrettably, tend to be forgotten. I would like to review just a few of them at this moment.

The year of 1985 was a big year for terrorism, and a very serious year for the murder of U.S. citizens as a result of terrorist acts.

On June 14, 1985, a 17-day ordeal occurred on TWA flight 847, where three U.S. citizens were severely and repeatedly beaten by terrorists. Robert Stethem, a Navy diver, was not only savagely beaten, but executed with a shot to his head, his body dumped out of the plane onto the airfield in an egregious and reprehensible act of murder as a result of a terrorists plot.

On October 7, 1985, Leon Klinghoffer, an American citizen, was taking a pleasure cruise on the ship *Achille Lauro*. Mr. Klinghoffer was confined to a wheelchair. He was rolled to the open deck of the cruise ship, *Achille Lauro*, where he was hit in the head and chest by terrorists and his body dumped into the Mediterranean Sea.

On December 27, 1985, at the Rome airport, 15 people were killed, including 5 U.S. citizens, and 73 wounded in a grenade and machinegun attack by the Abu Nidal terrorist organization.

Back in 1973, members of the Black September organization terrorists group murdered the United States Ambassador chargé and the Belgian chargé, after being marched into the basement of the Saudi Embassy and machinegunned to death.

There is a long list, Mr. President, of atrocities and terrorism, which are summarized in a document which I would like to have printed at the end of my statement.

I ask unanimous consent for that purpose.

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

(See exhibit 1.)

Mr. SPECTER. Mr. President, on April 2, 1986, TWA flight 840 was en route to Athens, Greece, a bomb was placed under a passenger seat by terrorists; it exploded, causing four United States citizens, including a mother and her infant child and the child's grandmother, to be sucked out of the aircraft, falling to their deaths.

Later that year, Mr. President, on September 5, 1986, Pan Am 73 at Karachi, Pakistan, was held by terrorists for 17 hours; gunmen indiscriminately exploding grenades and firing machineguns; 21 people died, 100 people were wounded, two United States citizens were killed.

Mr. President, the list of terrorist attacks goes on and on. U.S. citizens are victimized repeatedly. The incidents of terrorism, Mr. President, are summarized comprehensively in a document published by the U.S. Department of State in March 1989, and it summarizes the growing incidents of terrorism around the world and the impact on the American citizens.

Let me summarize just a bit from this document. At page 4, the following conclusions are reached: In 1988, 856 international terror-

ist incidents were recorded with 658 persons being killed and 1,131 individuals wounded.

Terrorism set a record number of attacks in 1988, and particularized herein are the acts of terrorism in the Mideast, the Western European groups on their terrorist activities, West German Red Army faction, Italian Red Brigades, the 17 November group in Greece, and other terrorist incidents around the world are described.

We know, Mr. President, that terrorism was the triggering factor in strong action taken by the United States in the bombing of Qadhafi in Libya back on March 14, 1986.

So there is no question, I would suggest, about the seriousness of the problem of terrorism worldwide, and its very severe impact on U.S. citizens.

Mr. President, as a result of the escalating problems of terrorism, the Congress of the United States has responded by moving for what we call extraterritorial jurisdiction, which is a unique approach in the fight against worldwide crime, including terrorism and including drug activities.

Customarily, the case is tried in the jurisdiction which takes control of a criminal matter in the locale where it occurs. If there is a murder in Pennsylvania, the incident is tried in Pennsylvania, customarily in the county, until there is a change of venue. But some offenses have been so notorious and so troublesome that nations have legislated to undertake what we call extraterritorial jurisdiction.

The first time that was done by the United States was in the Omnibus Crime Control Act of 1984, where we made it a violation of United States law for terrorists to take hostages or to hijack U.S. planes. That law was augmented in 1986 by legislation which this Senator introduced, which makes it a violation of U.S. law to attack, maim, or murder a U.S. citizen anywhere in the world. That was in response to serious gaps in the legislation from the 1984 Omnibus Crime Control Act. For example, we saw the murders in the Vienna and Rome airports in December 1985.

So, Mr. President, the United States of America has made a forceful declaration that we are not going to rely upon the laws of any nation where U.S. citizens may be victimized by terrorism. We are going to make it a violation of United States law, and we are going to enforce laws of the United States where Americans are victimized.

It was pursuant to that extraterritorial jurisdiction that Fawaz Yunis was brought to the United States on a daring James Bond type of maneuver, where Yunis was lured onto a fishing boat in the Mediterranean on a very unique act of law enforcement by FBI agents, far beyond the territorial limits of the United States. Yunis was brought back to the United States where he was tried, convicted, and sentenced to 30 years in jail.

Mr. President, I suggest that the time has come to specify that where death results to a U.S. citizen as a result of an act of a terrorist anywhere in the world, that it is appropriate that the jury should have the option of imposing the death penalty on that kind of a heinous act.

If we are able to bring to justice the perpetrators of the Pan Am bombing, who could doubt that, in a context where 259 people are ruthlessly murdered, it would be appropriate to have the jury have the option of imposing the death penalty?

Who could deny that in a case like the brutal murder of Robert Stethem after being beaten, executed and tossed onto the tarmac, that the jury ought to have the option of imposing the death penalty, or, in the case of

Leon Klinghoffer, or in the case of many, many incidents where U.S. citizens have been victimized by terrorism?

I am not saying, Mr. President, that the death penalty has to be imposed. That is the province of the jury under U.S. constitutional law. One great thing about the United States of America is whoever the defendant is, in our court he receives a full range of constitutional rights. For example, when Fawaz Yunis was brought into the United States for prosecution, the United States accorded him an opportunity to challenge his confession, to challenge the prosecution procedures, to challenge the way he was treated, considerations which Yunis and other terrorists would never dream of according their victims. So it is a matter for jury discretion, and it might be necessary on some extradition matters to make a commitment not to impose the death penalty.

When the United States was negotiating to try to get Hamadi back to the United States for trial for the murder of Stethem, the commitment was made by our State Department that we would not seek the death penalty. The fact was, really, we did not have the death penalty available to us. We could not impose it *ex post facto*. The death penalty was not in existence. This ought to be an option and ought to be a remedy and ought to be available when evaluating the propriety of the punishment of death.

Mr. President, it is not an easy matter, and there are many who have conscientious scruples against the death penalty, and I respect that. But I believe in a fair evaluation of what is appropriate, what may serve as a deterrent and what is in society's interest, that the death penalty ought to be available for certain kinds of outrageous, heinous, reprehensible acts.

I believe, Mr. President, that the death penalty has to be very carefully used.

When I served as district attorney of Philadelphia, from 1966 through 1974, it was my policy to review personally every case where the death penalty was to be requested. Out of some 500 homicides a year in the city of Philadelphia, the death penalty was requested in a very limited number of cases. A strict standard was applied because I felt it was necessary to be very, very restrained in the use of the death penalty, as a matter of fairness and also as a matter of retention of the death penalty. I do not think that it can be overused.

Chief Justice Earl Warren is one of the most noted of the American jurists, widely respected for his broad view of civil rights. In 1958, when he considered the issue of the death penalty and its constitutionality in the case of *Trop versus Dulles*, Chief Justice Warren said the following:

At the outset let us put to one side the death penalty as an index of the constitutional limit on punishment. Whatever the arguments may be against capital punishment both on moral grounds and in terms of accomplishing the purpose of punishment, and they are forceful, the death penalty has been employed throughout our history and, in a day when it is still widely accepted, it cannot be said to violate the constitutional concept of cruelty.

The death penalty was considered at length, Mr. President, in the 1976 decision of *Gregg versus Georgia*, and in the learned opinion filed by Justice Potter Stewart, joined in by Justice Powell and Justice Stevens, there are some very illuminating descriptions of the purpose of the death penalty, its proportionality, and its justification.

Justice Stewart wrote as follows:

"Indeed, the decision that capital punishment may be the appropriate sanction in extreme cases is an expression of the community's belief that certain crimes are themselves so grievous an affront to humanity that the only adequate response may be the penalty of death."

He wrote further:

"In part, capital punishment is an expression of society's moral outrage at particularly offensive conduct. This function may be unappealing to many, but it is essential in an ordered society that asks its citizens to rely on legal processes rather than self-help to vindicate their wrongs."

Justice Stewart quotes from Lord Justice Denning, Master of the Rolls of the Court of Appeal in England, when Lord Justice Denning spoke to the British Royal Commission on capital punishment, as follows:

"Punishment is the way in which society expresses its denunciation of wrong doing; and in order to maintain respect for law, it is essential that the punishment inflicted for grave crimes should adequately reflect the revulsion felt by the great majority of citizens for them. It is a mistake to consider the objects of punishment as being deterrent or reformative or preventive and nothing else. The truth is that some crimes are so outrageous that society insists on adequate punishment, because the wrong-doer deserves it, irrespective of whether it is a deterrent or not."

Mr. President, I will come in a moment to some of the other considerations on capital punishment such as its deterrent effect, but I believe that it is both fair and accurate to say that, on basic concepts of fairness and basic concepts of justice, the death penalty is fair in certain kinds of egregious cases like murder resulting from the act of terrorism.

Mr. President, I allocate to myself an additional 8 minutes at this point.

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

Mr. SPECTER. I think it appropriate at this time, Mr. President, to take that additional time to discuss the second aspect of society's interest in the death penalty, and that is as a deterrent.

Again a good starting point is the comprehensive and erudite opinion of Justice Stewart in *Gregg versus Georgia*, where he summarizes in a few words a great body of the raging debate on whether capital punishment is or is not a deterrent, and Justice Stewart said this:

"Although some of the studies suggest that the death penalty must not function as a significantly greater deterrent than lesser penalties, there is no convincing empirical evidence either supporting or refuting this view. We may, nevertheless, assume safely that there are murderers, such as those who act in passion, for whom the threat of death has little or no deterrent effect. But for many others, the death penalty undoubtedly is a significant deterrent. There are carefully contemplated murders, such as murder for hire, where the possible penalty of death may well enter into the cold calculus that precedes the decision to act. And there are some categories of murder, such as murder by life imprisonment where other sanctions may not be adequate."

Mr. President, I think it is hard to deny the necessity for an additional penalty for someone serving life imprisonment. If a lifer faces no penalty beyond an additional sentence for life, he can only obviously do one sentence, why not murder a guard or another prisoner when no other penalty is present?

I think, too, Mr. President, that capital punishment is a deterrent just as Justice Stewart outlines it. There are statistics and there are studies on both sides of this issue.

A very interesting study by Prof. Steven Gibson, an econometric analyst comes to the conclusion, after studying some 7,092 executions between 1900 and 1985, that approximately 125,000 innocent lives have been saved by the death penalty.

These studies, Mr. President, go both ways. But I am personally convinced that the death penalty is a deterrent based upon substantial experience that I have had as a prosecuting attorney, cases where hoodlums did not take along a weapon where they were about to undertake a robbery because they were worried about the possibility of the death penalty; professional criminals, burglars, robbers, who made forceful statements about their concern about the death penalty.

There was one very unique opinion—it is a dissenting opinion—when the Supreme Court of California was badly divided on a case of capital punishment, and the majority reversed the death penalty but three of the justices came to the conclusion that the death penalty should have been imposed. And an opinion by Justice McComb written in 1961 is unique in setting out some 14 cases where criminals stated that they did not take along a weapon or they were concerned about killing because the death penalty might result.

Mr. President, I ask unanimous consent that the full text of this dissenting opinion be printed in the RECORD.

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

Gibson, C. J., and Peters, White and Dooling, J.J., concur.

McComb, Justice.

I dissent.

*First:* I do not believe that the district attorney's argument to the jury constituted prejudicial misconduct.

In my opinion, it is a matter of common knowledge that the death penalty is a deterrent, because:

(a) Christians and Jews from the beginning of recorded history have recognized that the death penalty is a deterrent to murder.

This is demonstrated by the fact that, according to the account contained in the Old Testament (see New American Catholic Edition, The Holy Bible (1950)), the Lord spoke to Moses and said: "He that striketh and killed a man: dying let him die." (Leviticus 24, verse 17.) "If any man strike with iron, and he die that was struck: he shall be guilty of murder, and he himself shall die. If he throw a stone, and he that is struck die: he shall be punished in the same manner. If he that is struck with wood die: he shall be revenged by the blood of him that struck him. \* \* \* These things shall be perpetual, and for an ordinance in all your dwellings. \* \* \* You shall not take money of him that is guilty of blood: but he shall die forthwith." (Numbers 35, verses 16-31.)

(b) In the early history of the western states of the United States of America, including California, the death penalty was imposed by the early settlers to stop the rustling of cattle. It is a matter of common knowledge that in the early days of this state the apprehension and hanging of cattle rustlers reduced, and almost stopped, the theft of cattle.

(c) In the early history of San Francisco, law enforcement broke down and chaotic conditions prevailed. A group of citizens, known as the Vigilantes, undertook to re-

store order. To do this, they apprehended criminals and after trial promptly executed the guilty parties. Order was restored, and the civil authorities assumed control again. Clearly fear of the death penalty was the basic reason for the restoration of order.

(d) Any prosecuting attorney or criminal defense attorney or any trial judge who has sat for a substantial period in a department of the superior court devoted to the trial of felony cases knows that many felons are careful to refrain from arming themselves with a deadly weapon because they do not want to take the chance of killing anyone and suffering death as a penalty.

A few recent examples of the accuracy of this view are to be found in the following cases involving persons arrested by officers of the Los Angeles Police Department:<sup>1</sup>

(i) Margaret Elizabeth Daly, of San Pedro, was arrested August 28, 1961, for assaulting Pete Gibbons with a knife. She stated to investigating officers: "Yeah, I cut him and I should have done a better job. I would have killed him but I didn't want to go to the gas chamber."

(ii) Robert D. Thomas, alias Robert Hall, an ex-convict from Kentucky; Melvin Eugene Young, alias Gene Wilson, a petty criminal from Iowa and Illinois; and Shirley R. Coffee, alias Elizabeth Salquist, of California, were arrested April 25, 1961, for robbery. They had used toy pistols to force their victims into rear rooms, where the victims were bound. When questioned by the investigating officers as to the reason for using toy guns instead of genuine guns, all three agreed that real guns were too dangerous, as if someone were killed in the commission of the robberies, they could all receive the death penalty.

(iii) Louis Joseph Turck, alias Luigi Furchiano, alias Joseph Farino, alias Glenn Hooper, alias Joe Moreno, an ex-convict with a felony record dating from 1941, was arrested May 20, 1961, for robbery. He had used guns in prior robberies in other states but simulated a gun in the robbery here. He told investigating officers that he was aware of the California death penalty although he had been in this state for only one month, and said, when asked why he had only simulated a gun, "I knew that if I used a real gun and that if I shot someone in a robbery, I might get the death penalty and go to the gas chamber."

(iv) Ramon Jesse Velarde was arrested September 26, 1960, while attempting to rob a supermarket. At that time, armed with a loaded .38 caliber revolver, he was holding several employees of the market as hostages. He subsequently escaped from jail and was apprehended at the Mexican border. While being returned to Los Angeles for prosecution, he made the following statement to the transporting officers: "I think I might have escaped at the market if I had shot one or more of them. I probably would have done it if it wasn't for the gas chamber. I'll only do 7 or 10 years for this. I don't want to die no matter what happens, you want to live another day."

(v) Orelus Mathew Stewart, an ex-convict with a long felony record, was arrested March 3, 1960, for attempted bank robbery. He was subsequently convicted and sentenced to the state prison. While discussing the matter with his probation officer, he stated: "The officer who arrested me was by himself, and if I had wanted, I could have blasted him. I thought about it at the time, but I changed by mind when I thought of the gas chamber."

<sup>1</sup> The cases cited are taken from the records on file in the Los Angeles Police Department.  
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(vi) Paul Anthony Brusseau, with a criminal record in six other states, was arrested February 6, 1960, for robbery. He readily admitted five holdups of candy stores in Los Angeles. In this series of robberies he had only simulated a gun. When questioned by investigators as to the reason for his simulating a gun rather than using a real one, he replied that he did not want to get the gas chamber.

(vii) Salvador A. Estrada, a 19-year-old youth with a four-year criminal record, was arrested February 2, 1960, just after he had stolen an automobile from a parking lot by wiring around the ignition switch. As he was being booked at the station, he stated to the arresting officers: "I want to ask you one question, do you think they will repeal the capital punishment law. If they do, we can kill all you cops and judges without worrying about it."

(viii) Jack Colevris, a habitual criminal with a record dating back to 1945, committed an armed robbery at a supermarket on April 25, 1960, about a week after escaping from San Quentin Prison. Shortly thereafter he was stopped by a motorcycle officer. Colevris, who had twice been sentenced to the state prison for armed robbery, knew that if brought to trial, he would again be sent to prison for a long term. The loaded revolver was on the seat of the automobile beside him and he could easily have shot and killed the arresting officer. By his own statements to interrogating officers, however, he was deterred from this action because he preferred a possible life sentence to death in the gas chamber.

(ix) Edward Joseph Lapienski, who had a criminal record dating back to 1948, was arrested in December 1959 for a holdup committed with a toy automatic type pistol. When questioned by investigators as to why he had threatened his victim with death and had not provided himself with the means of carrying out the threat, he stated, "I know that if I had a real gun and killed someone, I would get the gas chamber."

(x) George Hewitt Dixon, an ex-convict with a long felony record in the East, was arrested for robbery and kidnaping committed on November 27, 1959. Using a screwdriver in his jacket pocket to simulate a gun, he had held up and kidnaped the attendant of a service station, later releasing him unharmed. When questioned about his using a screwdriver to simulate a gun, this man, a hardened criminal with many felony arrests and at least two known escapes from custody, indicated his fear and respect for the California death penalty and stated, "I did not want to get the gas."

(xi) Eugene Freeland Fitzgerald, alias Edward Finley, an ex-convict with a felony record dating back to 1951, was arrested February 2, 1960, for the robbery of a chain of candy stores. He used a toy gun in committing the robberies, and when questioned by the investigating officers as to his reasons for doing so, he stated: "I know I'm going to the joint and probably for life. If I had a real gun and killed someone, I would get the gas. I would rather have it this way."

(xii) Quentin Lawson, an ex-convict on parole, was arrested January 24, 1959, for committing two robberies, in which he had simulated a gun in his coat pocket. When questioned on his reason for simulating a gun and not using a real one, he replied that he did not want to kill someone and get the death penalty.

(xiii) Theodore Roosevelt Cornell, with many aliases, an ex-convict from Michigan with a criminal record of 26 years, was ar-

rested December 31, 1958, while attempting to hold up the box office of a theater, he had simulated a gun in his coat pocket, and when asked by investigating officers why an ex-convict with everything to lose would not use a real gun, he replied, "If I used a real gun and shot someone, I could lose my life."

(xiv) Robert Ellis Blood, Daniel B. Gridley, and Richard R. Hurst were arrested December 3, 1958, for attempted robbery. They were equipped with a roll of cord and a toy pistol. When questioned, all of them stated that they used the toy pistol because they did not want to kill anyone, as they were aware that the penalty for killing a person in a robbery was death in the gas chamber.

(e) The people of the State of California have, through their Legislature, on many occasions considered whether the death penalty should be abolished in this state—this as recently as the 1961 session of the Legislature—and in each instance have come to the conclusion that the death penalty is a deterrent and have retained it. Therefore, the judiciary of this state is bound to follow the legally expressed will of the sovereign people of the State of California.

*Second:* Defendant did not object to the prosecutor's statements. Therefore, he cannot raise the issue of their propriety on appeal unless they were of such character that the error could not have been cured by prompt admonition and instructions of the trial court. (People v. Hampton, 47 Cal. 2d 239, 240 [3], 302 P.2d 300.) In my opinion, any alleged prejudice could have been cured by a prompt request for, and the giving of, an admonition and instruction by the trial judge.

*Third:* In my opinion, the trial judge properly exercised his discretion in denying the motion for a new trial on the penalty phase.

Any judge or attorney who has had trial court experience knows that a trial judge is not always familiar with all the procedural law at the outset of the trial of a case. This is particularly true at the present time and is in part due to the ever-changing rules of law. This view was recently expressed by Hon. Evelle J. Younger, of the Los Angeles Superior Court, in an address which he delivered before the Lawyers Club. The following report on Judge Younger's remarks appeared in one of the Los Angeles legal newspapers: " \* \* \*"

"As an example Judge Younger noted the recent changes in the rules on admissibility of evidence obtained by illegal search and seizure. 'We have just recently run the gamut from the common law rule that such evidence was admissible in Federal or State courts regardless of how obtained, if of probative value, to absolute exclusion.' The latest rule of absolute exclusion was handed down this year in the case of Dolly Mapp. [Dollree Mapp v. Ohio, 364 U.S. 868, 81 S.Ct. 111, 5 L.Ed.2d 90]."

"The result of these changes is that it becomes increasingly difficult for local peace officers to determine what are, and what are not, allowable procedures in 'coping with mounting criminal activity.' An arrest, he stated, cannot be justified if it shocks the conscience—but whose conscience is the determining factor? 'Not the community's. Not the Police Chief's. \* \* \* We are talking about the conscience of the Ninth Member of the United States Supreme Court. And, we are not talking about his conscience yesterday; we are talking about his tomorrow's conscience.'"

"If judges and legal scholars have difficulty in defining due process, one can sympathize with the lonely policeman patrolling his beat who is expected to make legally cor-

rect split-second decisions, he commented. . .

"The speaker concluded by reiterating, 'We must zealously guard the rights of individuals; but in protecting the individual charged with crime we should never lose sight of the rights of society.'" (Metropolitan News, Vol. XXXIX, No. 152 (8/31/61); The Los Angeles Daily Journal, Vol. LXXIV, No. 175 (9/1/61).

The result is that a trial judge must rely to a large measure upon the information furnished him by the attorneys appearing before him. In the present case this was done. After the trial judge expressed doubts as to his authority to reweigh the evidence following the jury's fixing of the death penalty, counsel for the defendant pointed out to him that he did have such authority. Whereupon the judge accepted the view that he had authority on the motion for a new trial to reweigh the evidence as to the application of the death penalty. He then stated that assuming he had such authority, he would deny the motion, as the penalty was properly imposed, and that this view was supported by the fact that three juries had imposed the death penalty for the crime of which the defendant was convicted.

The problem presented is not a mere academic one. The people of this state are faced with an extremely important situation.

I would affirm the judgment and the order denying the motion for a new trial.

Schauer, Justice (dissenting).

I concur in the conclusions stated by Mr. Justice McComb and in his reasoning. I find it necessary, however, to emphasize my differences with the majority opinion.

I can understand with the majority that there is a reasonably debatable question as to whether the record affirmatively and satisfactorily shows that the trial court performed its full duty to independently weigh the evidence as required by People v. Borchers (1958) 50 Cal.2d 321, 328 [1, 2], 330 [9, 10], 325 P.2d 97 and People v. Moore (1960) 53 Cal.2d 451, 454 [2], 2 Cal.Rptr. 6, 348 P.2d 584. However, construing the record favorably to affirmance, as is the duty of a reviewing court, I am satisfied with Justice McComb's conclusion that the judgment should be affirmed.

The reversal of a judgment in a case of this character (and this is a second reversal in the same case) even when clearly required under established law, is in itself a serious matter. But far transcending the importance of the reversal in adverse effect on law enforcement, are certain pronouncements in the opinion (hereinafter quoted) which, whether so intended or not, constitute an attack on the death penalty. I cannot find justification in fact or in law for the majority's criticism of the prosecutor's argument to the jury regarding the death penalty or for the pronouncements which constitute an undermining attack on that penalty.

The majority relate that "For the third time a jury has fixed defendant's penalty at death for the murder of his wife \* \* \*. [After the first trial] the trial court granted a new trial on the ground of newly discovered evidence, and we affirmed. [Citation.] Defendant was again \* \* \* found guilty \* \* \*; again the jury fixed the penalty at death. We affirmed the judgment as to the adjudication that defendant is guilty of murder of the first degree and was sane \* \* \*. We reversed [McComb, J., and Schauer, J., dissenting] \* \* \* as to the imposition of the death penalty because of the admission of evidence tending to inflame and prejudice the jury. (People v. Love [1960] 53 Cal.2d 843 [3 Cal.Rptr. 665, 350 P.2d 705].)"

The order of the majority in the above referred to reversal is as follows (page 858 of 53 Cal.2d, at page 674 of 3 Cal.Rptr., at page 714 of 350 P.2d): "The judgment is reversed as to the imposition of the death penalty, and the cause is remanded for retrial and redetermination of the question of penalty only and for the pronouncement of a new sentence and judgment in accordance with such determination and the applicable law." The applicable law includes the provision of section 190.1 of the Penal Code, that "Evidence may be presented at the further proceedings on the issue of penalty, of the circumstances surrounding the crime, of the defendant's background and history, and of any facts in aggravation of mitigation of the penalty. The determination of the penalty of life imprisonment or death shall be \* \* \* on the evidence presented \* \* \*." (Italics added.)

Yet today the majority rule that (ditto, p. 9 [16 Cal.Rptr. 781, 366 P.2d 37]) "Since it appears, \* \* \* that the prosecutor committed prejudicial misconduct in arguing the deterrent effect of the death penalty to the jury, the judgment \* \* \* must be reversed."

What possible rationality can be found in the provision of section 190.1 that "Evidence may be presented \* \* \* on the issue of penalty \* \* \* and of any facts in aggravation or mitigation of the penalty" if evidence and argument cannot be addressed to what is then the sole issue in litigation? What can the words "Evidence \* \* \* in aggravation or mitigation of the penalty" mean if they do not relate to a basis for selecting as between the more drastic penalty—the greater deterrent—and the mitigated one of imprisonment?

I agree with the majority that (p. 2 of ditto [16 Cal.Rptr. 779, 366 P.2d 35]) "The court did not err in dismissing defendant's subpoena for Governor Brown and Warden Duffy. \* \* \* He had subpoenaed Governor Brown to elicit his views on capital punishment. The penalties for first degree murder have been fixed by the Legislature. (Pen.Code, §190.) The wisdom or deterrent effect of those penalties are for the Legislature to determine and are therefore not justifiable issues. [Manifestly the Legislature has made the determination.] Hence evidence as to these matters is inadmissible." Certainly the above holding is correct. But most assuredly no inference can properly be drawn from that holding that the Legislature has left any doubt that on its findings and in its judgment both the death penalty—for its greater deterrent effect, particularly in aggravated cases—and so-called life imprisonment—with its lesser effect for mitigated cases—are essential for the protection of society in California.

But in contrast to the law the majority go on to assert that the judgment here must be reversed and remanded for a new (fourth) trial on the issue of penalty because: "[The prosecutor] stated as a fact the vigorously disputed proposition that capital punishment is a more effective deterrent than imprisonment." Would "vociferously" perhaps be a more accurate adverb than "vigorously"? And since, as the majority already had held, the Legislature has fixed the penalties for first degree murder and they "are therefore not justiciable issues," why should the prosecutor not accept the findings of the Legislature and the law as to the two alternative penalties, exactly as he did, and offer evidence and argument pertinent to the jury's performance of duty, as clearly contemplated by the Legislature in its enactment of Penal Code, sections 190 and 190.1?

The majority continue: "The Legislature has left to the absolute discretion of the jury

the fixing of the punishment for first degree murder [i.e., without any control by the judge of their discretion but, of course, presumably rationally in the light of the evidence]. [Citation.] *There is thus no legislative finding, and it is not a matter of common knowledge, that capital punishment is or is not a more effective deterrent than imprisonment.*" The italicized pronouncement, in my view, is obnoxious to fact and law. Unsupported by statute or prior decision, it is a blow which appears to be aimed directly against rational application, and therefore toward ultimate abolition, of the death penalty. If the quoted italicized pronouncement were true—that there is neither legislative finding nor common knowledge "that capital punishment is or is not a more effective deterrent than imprisonment" then, of course, the death penalty should be abolished.

Further implementing its tenet the majority opinion continues: "Since evidence on this question [presumably evidence in aggravation or mitigation of penalty as contemplated by Penal Code, section 190.1] is inadmissible, argument thereon by prosecution or defense could serve no useful purpose, is apt to be misleading, and is therefore improper. It is true that in *People v. Friend* (1957) 47 Cal.2d 749, 766-768, 306 P.2d 463, we stated that counsel could advance arguments as to which penalty will better serve the objectives of punishment and listed deterrence of crime as one of those objectives. To the extent that *People v. Friend* is inconsistent with our conclusion herein it is overruled." (Italics added.)

By the above quoted holdings the majority in effect place the prosecutor in a forensic strait jacket as to argument for the greater deterrent. Those holdings also effectually emasculate the provision of Penal Code, section 190.1, for the taking of evidence to aid the jury in making an intelligent and informed selection as between the alternative, but by no means equal, penalties of death or imprisonment. In so doing it appears to me that the majority action trenches upon an invasion of the legislative province in disregard of the distribution of powers prescribed by California Constitution, article III, section 1. (Compare *Muskopf v. Corning Hospital Dist.* (1961) 55 Cal.2d 211, 213-221, 11 Cal.Rptr. 89, 359 P.2d 457; see also dissenting opinion, pp. 221-224; Civ. Code, §22.3; Stats. 1961, ch. 1404, p. 3209). To the same end today's majority also disregard the doctrine of *stare decisis* in overruling (as above quoted) the decisional law which admittedly had bound the trial court at the time of trial.

Although overruling the cited decision the majority rely on it as a basis for reversal. They say "That decision [*Friend* (1957)], however, was binding on the trial court at the time this case was tried, and it would have been an idle act for defendant to object in the trial court to the prosecutor's argument that capital punishment is a more effective deterrent than imprisonment. He is therefore not precluded from raising the question for the first time on appeal." The trial court thus is reversed for following the law as it existed at the time of trial—and as it also existed at the time of this court's first reversal of the judgment and remand "for retrial and re-determination of the question of penalty only."

Actually the correct rules, as had been held by this court in the *Friend* (1957) decision, relative to the selection of penalty (as between death and so-called life imprisonment) are stated or indicated in the now overruled case. Insofar as appears proper to be quoted here, the opinion in that case declares (page 764 [8] of 47 Cal.2d at page 472 of

306 P.2d): "We note \* \* \* that the trend is toward the more liberal admission of evidence pertinent only to the selection of penalty. For example, if it has become established practice to advise the jury of the facts concerning the possibilities of pardon, commutation, parole, etc. [Citations.] Obviously, the law pertaining to pardons, commutations and paroles has not the slightest relevancy to the issue of guilt; it is pertinent only as a fact which may be considered in selecting the penalty to be imposed; i.e., it is evidence which may be considered as relevant to the 'aggravation' or 'mitigation' of punishment in the sense in which those terms have been used in relation to the selection of penalty. \* \* \* [Page 767 [13], 306 P.2d at page 474.] They [the jury] should be told \* \* \* that beyond prescribing the two alternative penalties the law itself provides no standard for their guidance in the selection of the punishment; \* \* \* that in deciding the question whether the accused should be put to death or sentenced to imprisonment for life it is within their discretion alone to determine, each for himself, how far he will accord weight to the considerations of the several objectives of punishment, of the deterrence of crime, of the protection of society, of the desirability of stern retribution, or of sympathy or clemency. \* \* \*" (Italics in last sentence added.) We pointed out also that (footnote 8, page 766, 305 P.2d at page 474) "For some years many courts and writers on criminal law and penology have held that the purpose of legally adjudicated punishment is not or should not be vengeance, but rather deterrence of the offender and other prospective offenders from crime. \* \* \*" (Italics added.) All of the foregoing, the majority today brush aside.

Regardless of individual preferences among the justices I deem it to be the duty of this court to accept the fact that the Legislature has determined that the death penalty, in the cases wherein it is prescribed, is the strongest deterrent against the commission of such crimes. The fact that the jury (or the trial judge) has a final power of determination as to whether the death penalty or life imprisonment shall be imposed in a given case is of course not a legislative determination that life imprisonment is an equally strong deterrent. It merely shows the concern of the Legislature that liability to suffer the strongest deterrent be surrounded by the strongest safeguards for the accused. Even as the death penalty is the strongest deterrent against murder, so is it also the most effective protector of the lives of the victims of those who deliberately choose the commission of crimes of violence as a profession.

That the ever present potentiality in California of the death penalty, for murder in the commission of armed robbery,<sup>1</sup> each year saves the lives of scores,<sup>2</sup> if not hundreds of

<sup>1</sup> I use robber as the example for discussion because the deterrent effect of the death penalty for murder in the commission of (or attempt to commit) robbery is particularly well known among law enforcement officers who handle such cases at the investigation, arrest, and trial court levels. The point of my discussion, however, is equally applicable to the deterrent effect of the death penalty against harming kidnap victims and against murder committed in the perpetration or attempt to perpetrate arson, rape, burglary, mayhem or lascivious acts upon a child under the age of fourteen. (See Pen.Code, §§209, 189, 190, and 288.)

<sup>2</sup> According to the 1958-1960 Report of the Department of Justice the number of robberies reported in California in 1959 was 11,548.

It may be noted also that in the same year 108,002 burglaries were reported in this state.

victims of such crimes, cannot I think, reasonably be doubted by any judge who has had substantial experience at the trial court level with the handling of such persons. I know that during my own trial court experience, which although not extensive in criminal law, included some four to five years (1930-1934) in a department of the superior court exclusively engaged in handling felony cases, I repeatedly heard from the lips of robbers—some amateurs (no prior convictions), some professionals (with priors)—substantially the same story: "I used a toy gun [or a simulated gun or a gun in which the firing pin or hammer had been extracted or damaged] because I didn't want my neck stretched." (The penalty, at the time referred to, was hanging; death by lethal gas was substituted in 1941.)

I, of course, recognize that there are persons who in all sincerity urge that the death penalty be abolished. They point to the cases which reach the courts and say: "See, it has not deterred the commission of these crimes." Certainly the potentiality of the penalty is not 100 per cent effective as a deterrent as to all criminals. But it would be absurd to claim that because it did not deter all it did not deter any. As to each victim of each armed robbery whose life is spared because that one robber was deterred from killing, I dare say that the victim and his loved ones would not quibble over the percentage of the deterrent's efficacy.

There are also persons who entertain a conscientious scruple against any taking of human life. When a person who conscientiously believes that the state should never take a human life is called upon to take part in the operation of a death penalty law he, understandably—being conscientious in duty as well as in personal conviction—will suffer grievously. Whether he shall advocate repeal of the law would be one thing; urging forbearance of execution might be another. But regardless of whether a person has or has not any official connection whatsoever with law enforcement, and whether he realizes it or not, the death penalty law is a matter of importance to his safety. Whether any citizen would urge amendment of the law to make its application more swift and sure, or would repeal it altogether, or change it otherwise, the decision he makes should be of grave concern to him—and to his neighbors. Certainly each person must live with his own conscience. It is, however, to be hoped that his decision, as to any action affecting the death penalty which is motivated by conscience, will be an enlightened decision; that the decision he makes will be more than superficially consistent with his true objective. To make such a decision requires thinking—and information. By information, I mean facts, not theories. Probably all of us who have thought on the subject—and particularly those of us who have some responsibility in these cases (even as remote as it is at the appellate level)—devoutly wish that the death penalty were no longer necessary. But we have not yet reached the state which Sir Thomas More envisioned. Until a Utopian government has become reality, organized society (if it is to exist) must continue on the posit of free will and personal responsibility for one's choices of action (see *People v. Gorshen* (1959) 51 Cal.2d 716, 724, 336P.2d 492) with sanctions for crimes appropriate to their gravity. A good government owes protection to its law abiding citizens.

Let us consider further this business of armed robbery. It is much more profitable, ordinarily, than burglary but it entails more risk. Robbery means facing the victim and

taking the property "from his person or immediate presence \* \* \* against his will, accomplished by means of force or fear." (Pen.Code, §211). The victim (if not blind and deaf) is a potential witness. Robbery is "in the first degree" if "perpetrated by torture or by a person being armed with a dangerous or deadly weapon. \* \* \*" (Pen.Code, §211a). Other kinds of robbery are of the second degree. Robbery in the first degree is punishable "by imprisonment in the state prison \* \* \* for not less than five years;" that of the second degree, by like imprisonment "for not less than one year." [Pen.Code, §213]. The *maximum in both cases is life imprisonment*. Few, if any, law respecting people would contend that these sentences, particularly in view of the early parole probabilities, are too severe.

The risk of undergoing such a sentence is just as much a calculated risk of the professional robber as is the risk of deflation (or competition) a calculated risk of the conventional businessman. But the robber can do one thing that will vastly decrease the risk of identification and conviction: he can eliminate the known witnesses—the victims he robs. To accomplish any robbery he must at least make a show of force and induce fear; and for that reason he usually carries a gun—or something that looks like a gun. It cannot be validly disputed that the choice as to which he carries—a gun or what looks like a gun—is in case after case controlled solely by his respect for the death penalty. If the punishment he risks for robbery is to be imprisonment—and only imprisonment, even if he eliminates the only witness—it would seem inevitable that the incentive to kill would be greatly increased. The greater chance of escaping any punishment would, in the minds of some at least, outweigh the slighter risk of having the term increased. Many a robber who would take the risk of a longer term would absolutely shun any plan which substituted death for imprisonment.

And now I return to the subject of conscientious scruples against the execution of a human being. From what has already been said it must be obvious that I understand that it would be poignantly desirable (in the faithful performance of their law enforcement duties) for jurors and trial judges particularly, and also for justices of courts of review, and governors or other officers having the power of commutation, if the death penalty were abolished. But I comprehend also that it would be tragically undesirable to the families of the innocent victims who would die violently as a result.

Because of what my own eyes have seen and my ears have heard I cannot doubt the efficacy of the death penalty as a savior of the lives of victims of robbers, kidnapers, burglars, and criminals of similar dispositions. But if there were doubt in my mind I should resolve it in favor of protecting the innocent victims of the future rather than sparing the guilty killers of the past.

Inasmuch as today's majority opinion (1) may well be construed as at least approaching an invitation to the Legislature to repeal the death penalty; (2) as it declares a proposition which, if accepted, would constitute a basis arguably demanding repeal;<sup>2</sup> and (3) as it shackles district attorneys and trial courts in effective administration of the present law as it was enacted, it may well be that the Legislature should give attention to the legislation so affected. In that connec-

<sup>2</sup>Why, indeed, should it not be repealed if, as the majority declare, it is no more of a deterrent to murder than is mere imprisonment?

tion, in view of today's court action and of the entire record of appeals from penalty determinations under Penal Code, sections 190 and 190.1 (as those sections were, respectively, amended and added by Stats. 1957, ch. 1968, p. 3509, and Stats. 1959, ch. 738, p. 2727), the Legislature perhaps will wish to give consideration to the possible desirability of eliminating the alternative of imprisonment in certain situations to be designated by the Legislature, and making the greater deterrent the sole penalty, to follow as a matter of law on final conviction in any such designated situation. It would seem that, if such action is contemplated, the Legislature in its study might consider whether the greater deterrence of such certainty might reasonably be made applicable to those who personally would kill, or direct another to kill, "in the perpetration or attempt to perpetrate arson, rape, robbery, burglary, mayhem, or any act punishable under section 288," or in kidnapping (See Pen. Code, §§189, 209.)

Finally, I emphasize: each person who officially or unofficially participates in or advocates enforcement, repeal or amendment of the subject law—and who receives the benefits of its protection—must live with his own conscience. But I respectfully and earnestly urge that he who would consider repealing or otherwise defeating operation of this law, the principal purpose of which is to protect the lives of the victims of crimes of violence, will either make sure that the information on which he acts is sound and convincing or will pause to consider what his conscience may tell him as to some measure of moral responsibility for the "eliminations" which reason suggests may thereby be encouraged.

McComb, J., concurs.

Rehearing denied; Schauer and McComb, J.J., dissenting.

Mr. SPECTER. I shall not read all of it because of the time limitation. But a few cases are worthy of note illustratively.

A case involving Margaret Elizabeth Daly of San Pedro, arrested on August 28, 1961, for assaulting one Pete Gibbons with a knife, she said to investigating officers:

"Yeh, I cut him and I should have done a better job. I would have killed him but I didn't want to go to the gas chamber."

Louis Joseph Turck said, relating to a 1961 robbery:

"I knew that if I used a real gun and that if I shot someone in a robbery, I might get the death penalty and go to the gas chamber."

Orellius Mathew Stewart was arrested on March 3, 1960, for an attempted bank robbery. While discussing the matter he stated:

The officer who arrested me was by himself, and if I had wanted, I could have blasted him. I thought about it at the time, but I changed my mind when I thought of the gas chamber.

Salvador A. Estrada, 19 years of age, February 2, 1960, was arrested just after he had stolen an automobile from a parking lot by wiring around the ignition switch. As he was being booked at the station, he stated to the arresting officers:

I want to ask you one question, do you think they will repeal the capital punishment law? If they do, we can kill all you cops and judges without worrying about it.

There are many, many cases like this, some 14 cited in this opinion, Mr. President. But I believe that the realistic inferences, as a matter of human experiences, are that people are deterred by capital punishment, that those who receive the death penalty, almost all of them, ask for commutation of sentences to life imprisonment because of their obvious concern about the death penalty.

When Sheikh Obeid was taken into custody by the Israelis earlier this year in what was an appropriate act of an arrest and taking into custody under international law principles, the one thing that Sheikh Obeid was most concerned about was the possibility that he might be extradited to the United States for the murder of Colonel Higgins because of the certainty of punishment in the United States, albeit not a death penalty. But even a known terrorist like Sheikh Obeid is worried about punishment.

The Colombian drug dealers are very apprehensive about being brought to the United States, extradited, because once you are in the United States judicial criminal justice system, you do not get out even though it is only jail and not the death penalty.

Mr. President, I ask unanimous consent to be allocated, at this juncture, an additional 5 minutes.

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

Mr. SPECTER. Mr. President, just a few more comments on this subject with respect to what may be the differences with terrorists who may be motivated by fanaticism, who may say they are not to be concerned about the death penalty. It is entirely possible that some are not so concerned.

The terrorist who drove his vehicle, his truck, laden with explosives into the U.S. compound resulting in the death of 241 U.S. Marines back on October 23 of 1983, may have been someone driven by a fanatical urge. But there are many, many who are concerned about punishment and who would be concerned about the death penalty.

Sheik Obeid, Bahwai Ghamas, the Colombian drug dealers, as long as there are any, even one, who would say, "I do not want to face the death penalty as a result of a prosecution in a United States court," then, Mr. President, I say that it is appropriate that that penalty be available in the United States prosecution for terrorism. There is absolutely no question from many, many, many cases that criminals are concerned about the death penalty. And my own view is that terrorists similarly have such a concern. Nobody can assert with absolute positiveness what is in any man's mind, but as a result of our experience, I believe that that is a fair conclusion.

When United States citizens are confronted by terrorists around the world and blown out of airplanes or murdered as they discharge their official duties in Greece, as one United States Marine was within the past year, or murdered ruthlessly, as Colonel Higgins was in Lebanon, then I think it is not too much for the Congress of the United States to enact legislation allowing for the option of imposing the death penalty.

The President and the administration support this legislation. I believe the American people, by and large, support this legislation. In the interest of justice and appropriate law enforcement, I urge my colleagues to support this legislation.

[CRS Issue Brief, undated Dec. 12, 1991]

TERRORIST INCIDENTS INVOLVING U.S. CITIZENS OR PROPERTY 1981-91: A CHRONOLOGY  
(By James P. Wootten)

#### ISSUE DEFINITION

This issue brief lists reported terrorist incidents involving U.S. citizens or property that have occurred from 1981 until the present. No attempt has been made to differentiate between indigenous and international terrorist actions, nor to determine whether the United States was a specific tar-

get of the attack. The primary sources are CRS publications, State Department reports, press accounts, and Facts-on-File. The information is intended as background for Congress as it considers a wide range of legislation designed to combat terrorism.

#### BACKGROUND AND ANALYSIS

##### *Chronology of Terrorist Actions*

10/28/91—U.S. Air Force Sergeant Victor Marwick died in Ankara, Turkey, when a bomb exploded under his pickup truck. The murder followed 3 violent days in which Turkish planes and ground troops attacked Kurdish targets in northern Iraq. An anonymous caller claimed responsibility for the Islamic Jihad, a Lebanese organization, and said the bombing was in protest of the Arab-Israeli peace talks in Madrid.

04/22/91—An American businessman, John Cendy, was shot to death in his Istanbul office. The victim headed WBR, a company that provided services for U.S. military bases in Turkey. Dev-Sol, a radical leftist organization is believed responsible.

04/12/91—U.S. Air Force Sgt. Ronald A. Stewart, stationed at Ellinikon Airbase in Greece, was killed by a bomb outside his home in Glifadha, a seaside suburb of Athens. The revolutionary group, 17 November, claimed responsibility.

03/28/91—U.S. Lt. Col. Elvin McKinley, serving in NATO, was wounded outside his residence in Izmir, Turkey when three shots were fired at the officer. An illegal leftist organization claimed responsibility.

02/13/91—The U.S. embassy in Bonn was hit by automatic weapons fire. No one was injured and damage was slight. The Red Army Faction claimed responsibility.

02/07/91—An American, Bobbie E. Mozelle, of Detroit, MI, was shot to death as he left his home near U.S. Incirlik Air Base near Adana, Turkey. The victim was a retired U.S. serviceman employed at the base. A leftist group, Dev Sol, claimed responsibility for the murder, which was associated with the war in the Gulf.

02/06/91—A bomb exploded outside a branch of Citibank in Athens, causing major damage but no casualties. This was another in series of attacks and the third against Citibank offices in Greece since the war began against Iraq on January 17.

02/05/91—A car belonging to the U.S. military attache in Jordan was set ablaze in Amman. The assailants were not identified, but the incident was believed to be connected with events in the Persian Gulf.

11/25/90—Three Americans and two Colombian petroleum engineers were kidnapped by four members of the ELN near Tibu, Colombia. The Americans, John Bagby, Gary Sams, and Robert Hogan, are still in captivity.

11/06/90—Leftist guerrillas bombed a U.S. Marine residence in La Paz, Bolivia. Three marines were slightly wounded. A group, Nestor Paz Zamora Commando claimed responsibility—the same group accused of killing two U.S. missionaries in May 1989 and bombing Secretary Schultz' motorcade in August 1988.

10/23/90—An Iranian-born U.S. citizen was shot and killed at his Paris residence by unknown assailants. The victim was a former high-ranking Iranian official prior to the 1979 revolution.

10/19/90—Arvey D. Drown, a Colorado businessman, was kidnapped by CPP/NPA guerrillas in Cagayan province in the northern Philippines. He remains missing.

10/02/90—An Alabama woman, Maryanne Gilbert, was killed while travelling in China. The victim was a passenger aboard a plane that was hijacked and then crashed on landing, hitting two other jets and killing 127.

08/02/90—Timothy Swanson, a U.S. Peace Corps volunteer, was released by communist rebels in a village about 300 miles south of Manila. Mr. Swanson was unharmed after 2 months of captivity.

05/04/90—U.S. Marine Gunnery Sgt. John Fredette was shot to death outside Subic Base, 50 miles northwest of Manila and 30 miles west of Clark AFB. No one claimed responsibility, although communist guerrillas are suspected.

04/28/90—American geologist Scott Heimdal was kidnapped in Ecuadoran territory and held for ransom by a Colombian guerrilla group, American Battalion. Heimdal was released unharmed on June 29, 1990. A ransom of \$60,000 was paid by the Heimdal family.

04/13/90—Gunmen killed two U.S. airmen in the Philippines. Airmen John Raven and James Green were shot as they left a hotel near Clark AFB, 50 miles north of Manila. No one claimed responsibility, although communist guerrillas are suspected.

03/30/90—Six U.S. Air Force personnel stationed in Honduras were wounded, two seriously, in a sniper attack on their bus near Tegucigalpa, the capital. A leftist group, the Morazanista Patriotic Front, claimed responsibility.

03/27/90—William Robinson, an American missionary, was shot to death by masked gunmen in Rashaya Foukhar, a village in the Israeli-designated "security zone" in southern Lebanon. The Lebanese National Resistance Front, a leftist group aligned with Syria, claimed responsibility.

03/24/90—An American missionary, Thomas K. Jackson, and his British wife were killed in a rebel ambush near Bahn, Liberia, while attempting to flee to Monrovia. The National Patriotic Front of Liberia (NPFL) was responsible.

03/16/90—16 Americans and three Panamanians were slightly wounded by a bomb explosion in a bar usually frequented by U.S. military personnel in Panama City.

03/06/90—An elderly U.S. rancher near Malagos in the central Philippines was killed by gunmen at the gateway to his ranch. Stewart F. Raab, 72, was shot by rural CPP/NPA guerrillas because of rejected extortion demands.

03/02/90—A U.S. soldier, Anthony Ward, was killed and several others injured when an unidentified assailant threw a hand grenade into a night club in Panama City, Panama. Two previously unknown groups claimed responsibility.

02/21/90—An American geologist, John Robert Mitchell, his Filipino wife, and his father-in-law were killed in an ambush on a road in Bohol province in the Philippines. It is suspected that the victims, riding in an open jeep, were shot by rebels.

02/13/90—Two U.S. citizens, David Kent and James Donnelly, were kidnapped in Medellin, Colombia, by the Marxist Army of National Liberation (ELN) in protest of President Bush's February 15 visit.

01/01/90—Maureen Courtney, of Milwaukee, was one of two Catholic nuns killed by shots fired at their vehicle just after dark on a road in Nicaragua, about 80 miles southwest of Puerto Cabezas. Bishops Paul Schmitz, another American in the vehicle, was wounded. The Sandinista government and the U.S.-supported contras accused each other of the attack.

10/26/89—Two Americans were killed by guerrillas near Clark Air Force Base in the Philippines. William H. Thompson and Donald G. Buchner, civilian technicians hired by Ford Aerospace Corporation, were employed at small Air Force installations near Clark.

The insurgent New Philippines Army (NPA) is believed to be responsible for the murders.

09/20/89—Mrs. Robert Pugh, the wife of the U.S. Ambassador to Chad, was among the 171 passengers and crew killed when a French DC-10 airliner was destroyed by a bomb over a remote section of Niger in West Africa. An anonymous caller said that the Shiite organization Islamic Jihad was responsible.

09/18/89—The offices of the American Express Bank in East Beirut were damaged by an explosive device planted in front of the main entrance to the bank.

07/31/89—U.S. Marine Lt. Col. William Richard Higgins, a hostage in Lebanon since Feb. 18, 1988, was reportedly hanged by his captors in retaliation for the Israeli seizure of a Shiite cleric in southern Lebanon. Experts believe that Higgins was killed much earlier by the "Organization for the Oppressed on Earth."

07/13/89—Seven U.S. soldiers were wounded, three seriously, by a bomb attack as they were leaving a discotheque in the Honduran port of La Ceiba. No one claimed responsibility. Four suspects were held.

06/23/89—Chris George, an American aid worker in the Israel-occupied Gaza Strip, was released after 30 hours in the hands of Palestinian kidnappers. George was taken by three gunmen who claimed to be part of the PFLP. Demands for the release of 7 Palestinian prisoners held by Israel were ignored and George was released unharmed.

06/21/89—An American nun was shot in El Salvador by unknown assailants. Sister Mary MacKey, 63, was seriously wounded as she rode in a pickup along a road 10 miles south of San Salvador. The shot came from another truck carrying six men. No one claimed responsibility.

04/21/89—Colonel James N. Rowe, a U.S. military adviser to the Philippines, was shot to death in his car on a crowded Manila street. An urban guerrilla band from the New People's Army (NPA) is suspected.

03/10/89—A bomb exploded under a van being driven by Sharon Lee Rogers, wife of the captain of the U.S.S. Vincennes that mistakably shot down one Iranian jet last July. Mrs. Rogers was unharmed, but the van was demolished. Speculation is that terrorism was involved and that Iran was connected.

12/21/88—Pan Am flight 103, just out of London's Heathrow airport en route to New York City, exploded in the air about 6 miles southeast of the Scottish town of Lockerbie. All 259 persons on board the plane were killed in the explosion and crash. About 17 Scottish residents of the town were killed by the falling wreckage. There is overwhelming evidence that a bomb exploded in the cargo hold of the plane. Several terrorist organizations claimed responsibility for the incident, the most likely being the radical PFLP-GC, headed by Ahmed Jabril.

07/17/88—Unknown assailants fired upon 6 U.S. servicemen in the small town of San Pedro Sula, about 125 miles north of the Honduran capital, Tegucigalpa.

06/28/88—Navy captain William E. Nordeen, the U.S. defense attache in Greece, was killed by a bomb as he was driving to the embassy from his residence in an Athens suburb. The bomb was apparently placed in the trunk of a parked car and detonated by remote control. A radical terrorist group called November 17 claimed responsibility.

05/15/88—Three Americans were among those wounded in a hotel in Khartoum, Sudan, when it was attacked by terrorists armed with machine guns, grenades, and tear gas. Seven people were killed in the attack.

and 21 were wounded. Five of the dead were foreigners, including a British family of 4. Police arrested 3 gunmen carrying Lebanese passports.

04/15/88—A bomb exploded outside an Air Force radio relay station near Torrejon, a large U.S. air base outside Madrid. The bomb caused minor damage to the installation and no one was injured by the explosion.

04/14/88—Angela Simone Santos, a 31-year-old Navy petty officer stationed in Naples, was killed by a car bomb that exploded outside an American USO club in that city. Four other U.S. sailors were wounded by the explosion. Four Italians were also killed and at least 17 others injured by the attack. A unit of the Japanese Red Army calling itself the Jihad Brigade claimed responsibility.

02/18/88—A U.S. Marine officer serving with the U.N. observer group in Lebanon was kidnapped. Lt. Col. William R. Higgins was taken from his car near Tyre, a port in southern Lebanon, by gunmen believed to be members of the Moslem fundamentalist Party of God. This brings to 10 the number of U.S. hostages still captive in Lebanon.

12/27/87—Ronald Strong, an American sailor, died from wounds received December 26, in a grenade attack on a temporary USO club in Barcelona, Spain. The Catalan Red Liberation Army, a new organization, claimed responsibility for the attack, which injured 9 other U.S. sailors.

11/28/87—Two American servicemen and a Filipino-born U.S. Air Force retiree were killed near Clark Air Force Base in the Philippines. The 2 airmen were: A1C Randy A. Davis and Sgt. Steven Faust. The other man was Herculana Manganta, a retired Air Force sergeant. The killers could have been communist NPA rebels or right-wing military extremists.

09/27/87—A bomb blast in central Athens caused extensive structural damage to the U.S. military commissary. The Revolutionary Popular Struggle, a leftist guerrilla group, claimed responsibility.

08/10/87—Nine U.S. servicemen were injured by a bomb attack on a bus near Athens. November 17, an urban guerrilla group, claimed responsibility.

08/08/87—Five U.S. soldiers on duty in Honduras were slightly wounded when a bomb exploded outside a restaurant in Commayagua (the main U.S. base in Honduras), a small city near Palmerola. Another American, a civilian contractor working at Palmerola, was also wounded. No one has claimed responsibility for the bombing.

06/17/87—Charles Glass, a U.S. TV journalist, was kidnapped in Lebanon along with his host, Ali Oseiran, son of the Lebanese Minister of Defense. A State Department spokeswoman said that Glass was in Lebanon without official knowledge and in technical violation of U.S. passport rules imposed in February 1987 to keep Americans out of that country. No one has claimed responsibility. Glass escaped from his captors on Aug. 18, 1987.

06/09/87—Two bombs exploded on the grounds of the American Embassy in Rome. Another bomb destroyed a car parked on a street, next to the embassy. There were no injuries by the blasts.

05/26/87—Two U.S. Embassy officials were injured in a Cairo suburb. The wounded men were Dennis L. Williams, the embassy security chief, and John Hucke, his assistant. An anonymous caller later said that a group called "Egypt's Revolution" was responsible for the attack, the first in Egypt against Americans since relations were restored in 1973.

04/24/87—Sixteen Americans were injured when a bomb exploded under a bus carrying them to the U.S. base near Hellenikon near Athens. The injured included 12 military and 4 civilian dependents. November 17, a Greek guerrilla group, later claimed responsibility for the attack.

01/24/87—Gunmen, posing as Lebanese policemen, seized 3 Americans and an Indian from the campus of Beirut University College, not to be confused with American University of Beirut, which is about 3 blocks south in Moslem-controlled West Beirut. The 3 Americans were Alann Steen, Jesse Turner, and Robert Polhill. The Indian, a longtime U.S. resident associated with other U.S. universities, was Mitheleshwar Singh. All were employed as professors at the U.S. sponsored school. Several groups have been mentioned as the abductors.

10/31/86—Edward Austin Tracy, an American and long-time resident of Moslem-controlled west Beirut was kidnapped, becoming the 7th U.S. citizen held hostage by Lebanese extremists. A group calling itself the Revolutionary Justice Organization said it seized Tracy, accusing him of spying for the United States and Israel. The group took responsibility for seizing another American, Joseph Cicippio, a month earlier.

10/28/86—Two bombs exploded at separate military installations in Puerto Rico, injuring 1 person and causing extensive damage. Eight other bombs were later discovered and defused. Three pro-independence groups claimed responsibility for the actions.

09/12/86—Joseph Cicippio, an American on the staff of the American University in Beirut (AUB), was seized by 5 armed men while crossing the AUB campus in west Beirut. Cicippio, a convert to Islam and married to a Lebanese woman who works for the U.S. Embassy in east Beirut, was struck on the head and forced into a car by his assailants. No one claimed responsibility for the kidnapping.

09/09/86—Frank Herbert Reed, headmaster of the Lebanese International School, was kidnapped in south Beirut, near Beirut Hospital. Islamic Jihad, a Shi'ite terrorist organization, claimed responsibility for the kidnapping. The caller alleged that Reed was a CIA agent and had converted to Islam and married a Syrian woman as a cover for his intelligence activities.

09/05/86—Pan Am flight 73 was hijacked in Pakistan. At 5:55 PM (Washington time), 4 Arab-speaking gunmen seized a PanAm 747 at Karachi International Airport as the plane was loading passengers for a flight to Frankfurt, Germany. The hijackers held 374 passengers and 15 crew members hostage for 16 hours while sporadic negotiations were attempted. Suddenly, at 9:45 PM the following night when the ground power units ran out of gas and the lights dimmed on the plane, the gunmen panicked and began firing indiscriminately at the huddled passengers. Before Pakistani commandoes could storm the plane, 21 hostages were dead and more than 60 were seriously wounded. Four Americans were among those killed.

08/11/86—The U.S. Citibank office in Paleo Faliro, an Athens suburb, was heavily damaged by a firebomb allegedly thrown by the "Revolutionary Popular Struggle", a terrorist group operating in the Athens area. There were no personal injuries reported.

08/10/86—A U.S. soldier's car was blown up by a bomb in Hanua, West Germany, a small town located near the city of Frankfurt.

06/07/86—A second U.S. soldier died from injuries he received during the bombing of a West Berlin discotheque on Apr. 5. Staff Ser-

geant James E. Goins, 26, of Ellerbee, NC, died in a West Berlin hospital, the second American and the third victim of the bombing blamed on Libyan agents in Berlin, leading up to the U.S. raids on that country on Apr. 15.

05/28/86—A bomb exploded outside a PanAm airline office in Karachi, Pakistan, killing 1 local citizen and injuring 4 others. No Americans were injured in the blast.

05/06/86—A bomb exploded at Heidi barracks, a small, unguarded U.S. installation near Kirchheimbolanden about 35 miles south of Frankfurt, West Germany.

04/29/86—A bomb blast caused minor damage to the U.S. Ambassador's residence in Santiago, Chile. A bomb also went off in front of a Mormon Church. These were 2 of a number of bombs that exploded in Santiago and Valparaiso. Leftist guerrillas were suspected of setting off the bombs.

04/26/86—An explosion seriously damaged the American Express office in Lyon, France, injuring 1 person.

—Police defused a car bomb outside the U.S. Embassy in Mexico City, Mexico. A group calling itself the "Simon Bolivar Anti-Imperialist Command" claimed the bomb was intended as retaliation for the U.S. attack on Libya on Apr. 15.

04/25/86—Unknown gunmen shot and killed the managing director of the U.S. Black and Decker firm in Lyon, France. The victim, Kenneth Marston, 43, was a British subject. It is not clear if the shooting was related to terrorism or was related to recent organized crime thefts from Black and Decker.

—Arthur Pollick, 41, a U.S. Embassy communications officer in Sanaa, North Yemen, was shot and wounded while driving home from church services.

04/21/88—A bomb exploded outside the U.S. Embassy in Lima, Peru. There was a bomb threat to the U.S. Information Office in Dar es Saalam, Tanzania. No one was injured.

04/19/86—A bomb exploded outside the Mormon church in Puerto Ordaz, Venezuela.

04/18/86—Turkey arrested 4 Libyans attempting to place a bomb in a U.S. officers' club in Ankara. The same day a bomb was defused at a Turkish-owned American Express bank in Istanbul. Turkey has also apprehended 10 people, 2 Tunisians and 8 Turks, suspected of plotting to attack the U.S. consulate, the former U.S. consul general, and the Turkish-Iraqi pipeline.

04/17/86—Peter Kilburn, a librarian at the American University of Beirut, Lebanon, was 1 of 3 westerners killed as apparent revenge for the air raids on Libya Apr. 15. Kilburn, 62, disappeared in West Beirut Dec. 3, 1984. The pro-Libyan Arab Fedayeen cells claimed responsibility for Kilburn's death. The other 2 victims were British school teachers John Leigh Douglas and Philip Padfield, who were kidnapped in West Beirut Mar. 28, 1986.

—A fire bomb was thrown at the U.S. Marine guard compound for the U.S. Embassy in Tunis, Tunisia, setting a car on fire. No one was injured.

—A grenade exploded outside the U.S. consulate in San Jose, Costa Rica. There were no injuries and only minor damage. There were also bomb threats at the U.S. Embassy in Lagos, Nigeria, and the U.S. Army Southern Command headquarters in Panama.

04/15/86—William J. Calkins, an American employee of the U.S. Embassy in Khartoum, Sudan was shot and wounded while riding home from the Embassy. The shooting was believed to be in retaliation for the U.S. air raids on Libya earlier in the day.

04/05/86—Army Sgt. Kenneth T. Ford of Detroit, MI, was killed in a bomb explosion in

a West Berlin discotheque. A Turkish woman, Nermin Haney, was also killed. There were nearly 200 people injured, including 64 Americans. On Apr. 15, 1986, President Reagan said intelligence intercepts linked Libya to the Berlin bombing, which justified the U.S. attack on Libya that day as "self-defense."

04/02/86—Four Americans were killed and 9 people, including 5 Americans, were injured in a bomb explosion aboard TWA Flight 840 en route from Rome to Athens. Alberto Ospina of Stratford, CT, 52-year-old Demetra Stylianopoulos, her 24-year-old daughter Maria Klug, and 9-month-old granddaughter Demetra Klug, all of Annapolis, MD were killed. The plane landed safely at the Athens, Greece airport.

03/22/86—A statue of Harry Truman in Athens was destroyed by an explosion. A Greek revolutionary group claimed responsibility. The statue was restored and replaced in August 1987 by the Greek government.

02/18/86—A car bomb exploded at the U.S. embassy in Lisbon, Portugal. There were no injuries nor other damage.

02/15/86—Unidentified gunmen killed a U.S. citizen, Peter Hascall, in San Salvador, El Salvador. Hascall was engaged in selling military patrol boats to the Salvadoran navy for a Louisiana shipbuilding company. There is some question whether this was a terrorist incident or a street crime.

12/27/85—Palestinian gunmen attacked airports at Rome and Vienna with grenades and machine guns, killing 18 (including 5 Americans) and wounding 116 (22 Americans). A note found in the pocket of 1 terrorist claimed responsibility for the "Martyrs of Palestine," but officials believe that was a pseudonym for Abu Nidal's Revolutionary Fatah group. (The slain Americans, all of whom died in the Rome attack, were John Buonocore, 20, of Delaware; Frederick Gage, 29, of Wisconsin; Don Maland, 30, of Florida; Natasha Simpson, 11, of Rome; Elena Tomarello, 67, of Florida.)

11/24/84—Thirty-three Americans were among 36 wounded when a car bomb exploded at a U.S. Army shopping center in Frankfurt, West Germany.

11/23/85—Arab gunmen of uncertain political affiliation hijacked an Egypt Air flight and landed at Malta after an in-flight gun battle with Egyptian security guards. Three Americans and 2 Israelis were shot at close range and dumped onto the runway; one from each country was killed and the others injured. During the Egyptian commando assault on the plane on Nov. 24, 56 passengers were killed and the 1 surviving terrorist was arrested.

10/07/85—Four Palestinian gunmen hijacked the Italian cruise ship "Achille Lauro" off Alexandria, Egypt, with 80 passengers and 320 crewmen aboard, sailed it to Syria and Cyprus (where it was refused part entry) and back to Egypt. While off the Syrian port of Tartus, the terrorists killed wheelchair-bound American Leon Klinghoffer. Egypt and Italy negotiated the return of the ship and he remaining hostages on board in exchange for safe passage out of Egypt for the terrorists. On Oct. 10, American F-14 fighters accompanied by E-2C electronic surveillance plans intercepted an Egyptian jet carrying the hijackers and forced it down at the Italian-NATO base at Sigonella. Italy ordered the terrorists to stand trial but released 1 Palestinian negotiator (Muhammad Abbas Zaida, alias Abu Abbas). The sharp U.S. protest over the release of Abbas provoked a crisis in the Italian government of Prime Minister Bettino Craxi.

09/16/85—Nine Americans were among 38 people injured when a Palestinian threw a hand grenade at an outdoor cafe in Rome.

08/15/85—Two bombs exploded at a U.S. Army installation near the Netherlands-West Germany border, damaging a radio tower. Two incendiary devices were discovered and defused.

08/12/85—An incendiary device was found by cleaning women in the sleeping quarters on a U.S. Army troop train in West Germany. The bomb had failed to explode because it was defective.

08/08/85—Two arsonists fled when they were discovered trying to set fire to a U.S. cultural center in Hamburg.

—A car bomb exploded outside the headquarters of the U.S. Rhein-Main airbase near Frankfurt, killing 2 Americans and wounding about 20 other U.S. and West German citizens. The West German Red Army Faction and the French Direct Action claimed responsibility in a letter.

07/22/85—The Copenhagen offices of Northwest Orient Airlines and a nearby Jewish synagogue-nursing home were damaged by a bomb that killed 1 and injured 26. Islamic Jihad claimed responsibility in Beirut.

07/01/85—Unknown terrorists bombed the Madrid offices of Trans World Airlines and British Airways, apparently in retaliation for President Reagan's threat the previous day to strike against terrorism.

06/19/85—Leftist gunmen shot and killed 13 people, including 4 U.S. Marines and 2 U.S. businessmen, as they sat in a sidewalk cafe in San Salvador. Two days later the Urban Guerrillas-Mardoqueo Cruz group, associated with the leftist FMLN, took responsibility. (Five Salvadorans, a Chilean, and a Guatemalan were also killed.) Military officials announced that 3 leftist rebels had been arrested Aug. 27 in connection with the slayings; another suspect had been shot and killed in the arrest and 7 more suspects were still at large.

06/14/85—Shi'ite gunmen hijacked TWA flight 847 from Athens, Greece. The hijackers shot and killed U.S. Navy diver Robert Stetham in Beirut, and dispersed the remaining hostages throughout the city. On June 30, 39 American citizens were released in Damascus.

06/09/85—The Dean of the School of Agriculture of the American University of Beirut, Thomas B. Sutherland, was kidnapped. Sutherland may have been mistaken for AUB president Calvin Plimpton.

05/28/85—The director of the AUB hospital, David Jacobsen, was seized in Beirut.

04/12/85—An explosion in a restaurant frequented by U.S. servicemen near Madrid injured 14 U.S. personnel and family members. Islamic Jihad made the "most reliable" claim for the bombing; the Basque separatist group ETA also claimed responsibility.

03/16/85—Terry Anderson, the chief Middle East correspondent for the Associated Press, was kidnapped in Beirut.

02/02/85—Seventy-eight persons, mostly U.S. citizens, were injured when a bomb exploded at a bar frequented by U.S. military personnel in an Athens, Greece, suburb. The National Front, a previously unknown group, claimed responsibility, saying the act was directed at Americans responsible for "the continuing occupation of Cyprus." (While the bomb caused no fatalities, some of the seriously injured were airlifted to a U.S. military base in West Germany for treatment.)

01/15/85—The Communist Combatant Cells exploded a car bomb at a U.S. military police center in Brussels. One military police-

man was injured and the blast caused \$500,000 damage.

01/08/85—Fr. Lawrence Martin Jenco, a Roman Catholic priest and the director of the Catholic Relief Services operation in Lebanon, was taken hostage.

01/02/85—The homes of the U.S. and French consuls general were firebombed. The next day an empty guardpost at the U.S. Army headquarters in Heidelberg airfield was also bombed. No injuries were reported, and the Red Army Faction claimed responsibility.

12/28/84—U.S. citizens Gerhart Opel and Alan Bongard were taken hostage along with 20 other foreigners by Angolan rebels. The National Union for the Total Independence of Angola, led by Jonas Savimbi, took the hostages during a raid on a diamond-mining complex close to the Zairan border. The Americans were crew members for the Trans-America airline, which had contracted to fly supply runs for the Angolan government.

12/04/84—Four Islamic Jihad terrorists hijacked a plane bound for Pakistan from Kuwait, ordered it flown to Tehran, and killed 2 Agency for international Development (AID) officials before surrendering to Iranian security forces who stormed the plane. Charles Hegna and William Stanford were fatally shot, and the 2 other Americans on board, AID official Charles Kaspar and businessman John Costa, were tortured during the ordeal. The United States issued a statement of thanks to Iran after the plane was successfully retaken by Iranian forces, but subsequently charged Iran with aiding the terrorists after the 2 U.S. hostages were safely en route to Kuwait.

12/03/84—Peter Kilburn, a U.S. citizen and a librarian at AUB, disappeared in Beirut.

09/20/84—A small van, loaded with approximately 400 pounds of explosives, drove past a guard checkpoint to the front of the U.S. Embassy annex in Awkar, Lebanon, where it exploded, killing 23 (2 Americans) and wounding 71 (20 Americans). The driver was shot and killed by British security guards. Islamic Jihad claimed responsibility in a call to Agence France-Presse.

05/30/84—Linda Frazier, a U.S. journalist working in Latin America, was among 5 killed when a bomb exploded at a press conference held by Nicaraguan rebel leader Eden Pastora Gomez just inside the Nicaraguan border with Costa Rica.

05/22/84—The Ricardo Franco Front, a breakaway group from the Soviet-aligned Revolutionary Armed Forces of Colombia, bombed eight U.S. facilities in two Colombian cities, but caused no injuries. In Bogota, the terrorists attacked the U.S. Embassy, the U.S. Ambassador's residence, a binational center, two IBM installations, and the ITT offices; in Cali, attacks were sustained at the binational center and a Texaco warehouse.

05/11/84—Tamil separatists kidnapped a newlywed American couple, Stanley and Mary Allen, in Jaffna, Sri Lanka. The kidnappers demanded \$2 million in gold and the release of 20 Tamil prisoners, but after Sri Lankan President Junius Jeyewardene rejected the demands, the couple was released unharmed.

05/08/84—Islamic Jihad claimed responsibility for the kidnapping of Benjamin Thomas Weir, a U.S. Presbyterian minister, in West Beirut. Weir was released on Sept. 14, 1985.

04/15/84—A bomb exploded in a northwestern Namibia gas station, killing U.S. envoys Dennis Keogh and Lt. Col. Ken Crabtree, as well as 1 Namibian. Although South African authorities blamed the South West Africa People's Organization, SWAPO denied re-

sponsibility, and the United States called the explosion an "act of random terrorism." The victims were the first Americans to die in the 17-year war in Namibia.

04/03/84—Master Sgt. Robert H. Judd was shot and wounded while driving to a U.S. airbase near Athens. The Greek November 17 organization claimed responsibility, protesting the four U.S. military bases in Greece.

03/26/84—Robert Onan Homme, the U.S. consul general in Strasbourg, France, was shot and wounded by a Lebanese Armed Revolutionary Faction gunman.

03/16/84—William Buckley, first secretary in the political section of the U.S. Embassy, was kidnapped in Beirut by a carload of gunmen. On Oct. 4, Islamic Jihad claimed it had executed Buckley in retaliation for the Oct. 1, 1985, Israeli air raid on Tunisia. The United States did not regard as definitive the blurry photo purported to be Buckley, which appeared in a Beirut newspaper.

3/07/84—Jeremy Levin, American network correspondent, was kidnapped in Beirut. Levin was released, or escaped, from captivity in the Bekaa Valley in eastern Lebanon Feb. 13, 1985.

02/15/84—Leamon R. Hunt, the American director of the Multinational Force and Observers peacekeeping force in Sinai peninsula, was shot and killed as he drove to his home in southwestern Rome. A radical offshoot of the Red Brigades, known as the Fighting Communist Party, claimed responsibility.

02/10/84—Frank Regier, the head of the Electrical Engineering department at the American University of Beirut, was kidnapped in West Beirut. Regier was freed Apr. 15 by Amal militiamen during a raid on the West Beirut hideout of another extremist organization.

01/26/84—Linda L. Cancel was shot and killed in eastern El Salvador, after ignoring a rebel warning to stop while she was driving with her husband and 2 children, who were unhurt.

01/18/84—Malcolm Kerr, President of American University of Beirut, was shot and killed as he stepped off the elevator to his office on the West Beirut campus. Islamic Jihad claimed responsibility by phone to Agence France-Presse Beirut office.

01/11/84—Chief Warrant Officer Jeffrey C. Schwab was killed when Nicaraguan fire downed a U.S. helicopter in Honduras. The attack occurred after the helicopter had landed a few yards away from the Honduran-Nicaraguan border.

12/12/83—A truck bomb damaged the U.S. Embassy in Kuwait. Similar attacks occurred at the French Embassy, a U.S. housing compound, a Kuwaiti oil facility, an airline terminal building, and a Kuwaiti government office. Islamic Jihad claimed responsibility for the bombings; 25 Lebanese, Iraqis, and Kuwaitis were subsequently arrested, tried, and imprisoned.

11/15/83—U.S. Navy Captain George Tsantes was shot and killed on his way to work in Athens; his chauffeur was also slain. The November 17 group claimed responsibility.

10/23/83—A truck laden with explosives crashed through guardposts, circumvented other security precautions, and was detonated in the courtyard of the U.S. Marine headquarters at the Beirut airport, killing 241 American armed forces personnel (220 Marines, 18 Navy, and 3 Army personnel). Islamic Jihad called Agence France-Presse in Paris to claim responsibility.

09/23/83—111 people, including 1 American, were killed when an on-board bomb exploded, downing an Omani Gulf jet en route from Karachi to Abu Dhabi.

08/15/83—Leftist guerrillas in Colombia kidnapped a U.S. rancher, Russell Martin Stendhal, and demanded \$500,000 for his release. His family paid an unspecified ransom and Stendhal was released Jan. 18, 1984. Although earlier reports had identified the kidnapers as members of the Colombian Revolutionary Armed Forces, the family identified them as belonging to the People's Liberation Army.

06/21/83—Dial Torguson of the *Los Angeles Times* and freelance journalist Richard Cross were killed in Honduras, a few yards from the Nicaraguan border. Honduras and the United States claimed that they were killed by a rocket-propelled grenade fired from Nicaragua, but the Sandinista government denied the claim.

05/25/83—Navy Lt. Cmdr. Albert A. Schaufelberger was shot and killed while sitting in a car in San Salvador. The Popular Liberation Forces, the most radical group under the FMLN umbrella, claimed responsibility for the killing, although U.S. officials were skeptical about the claim.

04/18/83—A car bomb detonated in front of the U.S. Embassy in Beirut, killing 63, of whom 17 were Americans, and wounding over 100. Islamic Jihad claimed responsibility, citing the explosion as "part of the Iranian revolution," although Iran denied any role in the attack. The Embassy building was declared beyond repair May 3, and operations subsequently were moved to Awkar, north-east of Beirut.

04/07/83—Catherine Woods Kirby, a U.S. rancher, was kidnapped by members of the leftist Colombia Revolutionary Armed Forces. She was reported released on Nov. 14, 1983.

03/07/83—Kenneth Bishop, an executive at Texas Petroleum Company, was kidnapped in Colombia by the People's Revolutionary Organization. Texas Petroleum refused to negotiate with the kidnapers, but Bishop was freed April 4 after his family paid several thousand dollars in ransom.

10/31/82—A bomb exploded in a U.S. military housing area in Giessen, West Germany. No injuries were reported.

08/21/82—A bomb was attached to the car of Roderick Grant, commercial counsellor at the U.S. Embassy in Paris, but failed to detonate. After detection, the device exploded, killing 1 bomb disposal expert and wounding the other 2. The Lebanese Armed Revolutionary Forces claimed responsibility.

08/12/82—A small bomb exploded in a U.S. military housing area in Frankfurt, West Germany, damaging a car.

08/09/82—Gunmen threw a grenade into a Jewish restaurant in Paris and then opened fire with automatic weapons, killing 6 and wounding 27. Two of the wounded and 2 of the slain were American citizens. The leftist Direct Action first claimed and, then, denied responsibility for the attack; the Israeli government blamed the PLO, but PLO spokesmen denied the charge and condemned the attack.

08/07/82—Nine people, including 1 American woman, were killed and over 70 wounded in an attack on the Turkish airport at Ankara by the Armenian Secret Army for the Liberation of Armenia.

08/03/82—A bomb blew off the door of an officers' club in Karlsruhe, West Germany. Later, two jeeps were destroyed and a truck damaged when a time bomb exploded at a U.S. base in Schwabish-Grund, West Germany.

07/19/82—American University of Beirut president David Dodge was kidnapped; he was released on July 19, 1983.

S.J. Res. 25. A joint resolution proposing an amendment to the Constitution relating to Federal budget procedures; to the Committee on the Judiciary.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

Mr. EXON. Mr. President, I rise to introduce legislation for a proposed constitutional amendment to require the President to submit and the Congress to enact a balanced Federal budget.

As in previous sessions of Congress, I have made a balanced budget amendment a priority bill. There are few, if any, problems that face our country that are greater and more dangerous than our out-of-control Federal budget.

Several years ago, while introducing similar legislation, I noted that our deficit spending was one of our most serious problems. That was before we set a record deficit of over \$265 billion in 1991. That was before we set yet another record deficit of over \$290 billion in 1992. That was before our Federal debt topped the \$4 trillion mark. It now seems certain that our indebtedness will be well over \$5 trillion before we can begin to reduce it. We now longingly look back with wistful eyes on the days of only a \$2 or \$3 trillion debt.

Just 2 weeks ago, the outgoing administration revealed its latest deficit projections and the news was not good. Yet another record deficit of over \$327 billion is projected for the coming year and little relief is seen in the near future. We have not turned a corner. In other words, over a decade of borrow-and-spend economic policy will be followed by more of the same unless strong action is taken soon.

I have been pleased to see that in the past several months, the American public has been waking up to the seriousness of this problem. Our Federal debt was a major issue in the elections of 1992, and rightfully so. There is no greater need for change than in our current budget.

The argument against a balanced budget amendment is, of course, that it will not solve all of our problems and as such is hardly a substitute for honesty and effective leadership. I agree that we certainly need strong leadership on this issue but see no reason why we should not also have a balanced budget amendment.

It seems to me that the chickens have come home to roost regarding the borrow-and-spend policies that have been pursued over the past two administrations. Some would cynically say that we are exactly in the position that Mr. Stockman and his colleagues hoped we would be. We have already borrowed and spent nearly all of the revenues that President Clinton's government can expect to receive. If we shut down our Federal Government tomorrow and simply used incoming receipts to pay off our existing debt, we will eliminate

By Mr. EXON:

the debt late in our new President's term.

It is true that honest and effective leadership would eliminate the need for a balanced budget amendment but the simple fact is that we obviously do not always have such courage in Washington. We do not need a balanced budget amendment when we have strong leadership but we certainly do need one for those times when we do not.

We are now in a position where our deficit spending threatens our economic future. Deficits do matter and those who have claimed otherwise over the past many years have been trifling with our children's standard of living. Our Federal debt has a stranglehold on our Nation's economic recovery. The incoming administration is already second-guessing even modest proposals to invest in our Nation's future in light of the overwhelming need to reduce our deficit.

Our current budgetary problems are now so severe that the immediate imposition of a balanced budget would have dire consequences for our economy. As such, under any proposal, we will need to level with the American people that shared sacrifices must be made and that we will not be able to undo in but a few years what was done over the past dozen.

Four years ago, I was hopeful that with the start of a new administration and a new Congress that there was the promise of a new emphasis on deficit reduction. That promise was unfortunately not turned into reality.

Once again, we have a new administration. Our new President, like myself, served for many years as governor of a State that requires a balanced budget. He knows that balancing a budget requires making tough decisions and understands that political leadership is essential if we are to develop a budget that is fair and acceptable to the American public.

Mr. President, our system is broken and needs fixing. The American public is demanding that we stop blaming each other for this mess and that something be done to restore fiscal responsibility to our Federal budgets. It is time that Congress pass a balanced budget amendment and send it to our States where I am confident it would be quickly ratified.

I ask unanimous consent that the joint resolution be printed in the RECORD.

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

S.J. RES. 25

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, 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 after its submission to the States for ratification:*

"ARTICLE—

"SECTION 1. Prior to each fiscal year, the President shall submit to the Congress a proposed statement of revenues and appropriations for the coming fiscal year and shall recommend to the consideration of Congress such measures as the President shall judge necessary to assure that appropriations do not exceed revenues for that fiscal year.

"SECTION 2. Prior to each fiscal year, the Congress shall approve a proposed statement of revenues and appropriations for the coming fiscal year and shall adopt measures necessary to assure that appropriations do not exceed revenues for that fiscal year.

"SECTION 3. No bill which causes appropriations to exceed revenues for a fiscal year shall become law unless passed by two-thirds of the Senate and House of Representatives.

"SECTION 4. The Congress may waive the provisions of this article for any fiscal year in which a declaration of national emergency is in effect.

"SECTION 5. The Congress shall have the power to enforce this article by appropriate legislation.

"SECTION 6. This article shall become effective beginning with the later of—

(1) the second fiscal year to begin after its ratification.

By Mr. DECONCINI (for himself and Mr. THURMOND):

S.J. Res. 26. A joint resolution proposing an amendment to the Constitution relating to a Federal balanced budget; to the Committee on the Judiciary.

CONSTITUTIONAL AMENDMENT TO BALANCE THE BUDGET

● Mr. DECONCINI. Mr. President, I rise to introduce a constitutional amendment to balance the Federal budget. It seems clear that this Nation is ready to forge both short- and long-term solutions to our economic problems. I believe strongly that this cannot be accomplished without the discipline that would be imposed by a balanced budget amendment.

Since coming to the Senate in 1977, I have sought the support of my colleagues in passing a balanced budget amendment. If a balanced budget amendment had been passed during my first year in the Senate, the gross national debt would be approximately \$900 billion. Instead, the debt stands at almost \$4 trillion and each family of four's share of this debt is \$65,000.

To fulfill our goal of long-term economic growth, an increase in Federal investment activities must occur. The surest way to increase investment is to increase national savings, which can only occur when the deficit is reduced or eliminated. Since we have no national savings, the deficit is being financed by increased reliance on foreign capital and reduced private domestic investment; 15 to 20 percent of our national debt is owed to foreigners.

The problem is compounded by the addition to the deficit of each year's interest costs, an amount which must be financed by still greater interest payments the next year. Net interest on the debt is approximately \$200 bil-

lion a year, the third largest item in the Federal budget. This growth of interest costs translates into a major decline in funds available to finance any new discretionary programs. Isn't it more desirable that we use the \$200 billion to reduce taxes or improve our health care system? Government funds must be invested in the future, rather than used to pay past debts. Better education, health care, drug prevention, new roads and bridges, and other domestic programs are needed. These needs demand that we do not lose sight of our budget deficit problems. Much too much of Government spending is needed to pay off past debts instead of investing in our future.

Over the last decade, the United States has gone from being the largest creditor Nation in the world to the largest debtor Nation. Unless an amendment to balance the budget is added to our Constitution soon, our standard of living will continue to decline and the United States will become a second-rate economic power.

Gross Federal debt when computed as a percentage of annual gross domestic product [GDP] shows that well over half of our GDP is being depleted by our debt. The GDP indicator has replaced the gross national product [GNP] as the primary measure of U.S. production because it is more accurate for short-term monitoring and analysis of the U.S. economy. The GDP indicator shows an even more staggering effect the Federal debt has had on the economy than originally thought under the GNP indicator. Our Nation's economy is in dire need of fiscal responsibility and a constitutional amendment is absolutely necessary to achieve this goal.

In order to reduce the debt to its 1980 level, the United States would have to collect a 45-percent surcharge on every American taxpayer's income tax bill for the next 12 years. This would mean approximately \$4,000 a year in additional taxes for a couple earning \$55,000 a year.

Between 1960 and today, this Nation has experienced a budget surplus only twice. In 1960, we saw a surplus of \$301 million and in 1969, a surplus of \$3.2 billion. That is the good news.

Since 1969, with the exception of years 1987 through 1990 when the increase in the deficit slowed, the annual deficit has grown larger every year. The 1990 deficit, in excess of \$220 billion, was second only to the deficit of 1986 which was a record \$221 billion. In 1991, an all-time record deficit was set at \$269.5 billion, despite efforts to control spending. That record has not lasted long, because the deficit for 1992 was \$290.2 billion. Clearly this negative trend will continue if a balanced budget amendment is not passed.

Some of my colleagues oppose a balanced budget amendment because they believe it is the wrong approach—that

we already have the authority to control the deficit through legislation. The problem is that Congress lacks the self-discipline necessary to balance the budget and needs the force of a constitutional amendment to get the job done.

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.

We tried the Gramm-Rudman-Hollings sequester approach to fiscal responsibility. When it became too difficult to meet the deficit targets outlined in that law, we revised it again, and again, and again, and then abandoned it altogether.

In its place, we enacted the 1990 Budget Summit Agreement. Under this law we chose to totally ignore budget deficits in favor of imposing strict spending caps on discretionary spending. Under each and every approach, unfortunately, our deficits have continued to soar out of control.

Furthermore, these previous legislative attempts made to control the deficit, have all suffered from significant design problems. Gramm-Rudman-Hollings exempted the largest domestic programs and encouraged misleading budgeting and accounting practices. Additionally, it lacked an enforcement mechanism to control the areas most responsible for deficit growth. The Budget Enforcement Act of 1990 sets caps on discretionary spending, but is not designed to control the deficit directly.

A constitutional amendment is needed because legislative rules can always be waived, and the next Congress can always reject 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 impacting on generations far into the future.

This is a simple amendment. There is nothing here that would establish any permanent level of expenditures or taxes. There is nothing here that would prevent the Congress from approving any particular item of expenditure or taxation. It would not necessarily cut Social Security benefits or Medicaid. Clearly, these are priority items and would be considered as such.

What it would do is mandate that total spending of the United States for any fiscal year not exceed total revenues for that year unless 60 percent of Congress approves a specific amount of deficit spending. The amendment would also require the President to submit a balanced budget, thus sharing the burden for responsible budgeting between the executive and legislative branches. Taxes could be raised only by

a majority of the full membership of each House, not merely those present and voting.

A balanced budget amendment provides accountability. In an effort to strike a balance between flexibility and enforceability, the amendment is flexible enough so that in times of recession or national emergency Congress could authorize specific deficit spending or increase taxes. They must, however, go on record as having voted to do so. The voters can then decide if their representatives in Congress are serious about fiscal responsibility.

At present, Members avoid accountability through deficit spending, failing to make the tough political decisions required to choose between too many programs competing for few dollars.

Critics argue that the amendment lacks the necessary enforcement mechanism and claim that Congress' tendency to manipulate deficit reduction laws such as Gramm-Rudman would continue. This, they say, would demean the Constitution. However, elevating a balanced budget requirement to the level of a constitutional amendment provides the necessary teeth to ensure that concrete steps are taken to balance the budget.

The President and Members of Congress are sworn to uphold the Constitution. Failure to abide by the amendment would constitute a serious violation of the public trust. The American people would be the ultimate decisionmakers, through the electoral process, as to whether Congress and the President adhere to the express provisions of the amendment.

The ultimate proof that a balanced budget amendment can work is the experience of the States. Almost all States have some constitutional provision limiting their ability to incur budget deficits. Consequently, more States run budget surpluses than deficits. In my home State of Arizona, their 1991 budget of \$3.5 billion had a surplus of over \$20 million.

Economic demands and available resources may be different for States and the Federal Government. Nonetheless, the overall success of State constitutional budget limitations illustrates that a balanced budget amendment can provide the incentive and discipline necessary to place our Nation on the road to fiscal responsibility.

Clearly, the public wants a balanced budget amendment to the Constitution. A recent poll indicated 80 percent of the American people support a balanced budget amendment. Thirty-two States have passed resolutions calling for a balanced budget amendment convention. Only 2 more States for a total of 34 are needed to convene a convention. It seems unlikely, however, that the magic number of 34 will be forthcoming any time soon. Three States have passed resolutions of rescission

because of concerns over the possible scope of any constitutional convention and I know of no other States considering the issue.

It is up to the Congress to get the process moving again. The Nation's bottom line is immersed in red ink and immediate action is needed. However well intentioned we may be in trying to reduce the deficit, we have failed.

I urge my colleagues to support the balanced budget amendment. It is time to say "no" to deficit spending and reimpose fiscal responsibility into the budget process.

Mr. President, I ask unanimous consent that the full text of my amendment be printed in the RECORD immediately following this statement.

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

S.J. RES. 26

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, 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 after its submission to the States for ratification:*

"ARTICLE—

"SECTION 1. Total outlays of the United States for any fiscal year shall not exceed total receipts to the United States for that year, unless three-fifths of the whole number of both Houses of Congress shall provide for a specific excess of outlays over receipts.

"SECTION 2. Any bill for raising taxes shall become law only if approved by a majority of the whole number of both Houses of Congress by 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. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect.

"SECTION 5. Total receipts shall include all receipts of the United States except those derived from borrowing. Total outlays shall include all outlays of the United States except for those for repayment of debt principal.

"SECTION 6. This article shall take effect beginning with the second fiscal year beginning after its ratification."•

By Mr. MOYNIHAN (for himself and Mr. SASSER):

S.J. Res. 27. A joint resolution providing for the appointment of Hanna Holborn Gray as a citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on Rules and Administration.

APPOINTMENT OF HANNA HOLBORN GRAY AS CITIZEN REGENT OF THE BOARD OF REGENTS OF THE SMITHSONIAN INSTITUTION

• Mr. MOYNIHAN. Mr. President, I rise to reintroduce a joint resolution to nominate Dr. Hanna Holborn Gray a citizen regent of the Smithsonian Institution. Senator SASSER, with whom I sit on the Smithsonian Board of Re-

gents, is a cosponsor of this resolution. I offered this joint resolution in the 102d Congress. Though the Senate passed it on June 23, 1992, the House took no action on it.

Dr. Gray, a personal friend of mine, will serve the Smithsonian with great distinction. She is president of the University of Chicago, a post she has held since 1978. A native of Germany and a scholar in the history of humanism and politics in the Renaissance and Reformation, she has written on subjects ranging from St. Thomas Aquinas to the aims and objectives of higher education. She taught at Harvard University and the University of Chicago before being named provost and then acting president of Yale University, the first female president of an Ivy League university. In 1986 she was 1 of 12 recipients of the Medal of Liberty, awarded by President Reagan to distinguished foreign-born Americans.

I urge the adoption of this measure and ask unanimous consent that its full text be printed in the RECORD at this point.

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

S.J. RES. 27

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That in accordance with section 5581 of the Revised Statutes of the United States (20 U.S.C. 43), a vacancy on the Board of Regents of the Smithsonian Institution, in the class other than Members of Congress; shall be filled by the appointment of Hanna Holborn Gray of Illinois. The appointment is for a term of 6 years and shall take effect on the date of approval of this resolution.●

By Mr. MOYNIHAN (for himself and Mr. SASSER):

S.J. Res. 28. A joint resolution to provide for the appointment of Barber B. Conable, Jr., as a citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on Rules and Administration.

THE APPOINTMENT OF BARBER B. CONABLE, JR., AS A CITIZEN REGENT OF THE BOARD OF REGENTS OF THE SMITHSONIAN INSTITUTION

● Mr. MOYNIHAN. Mr. President, I rise to reintroduce a joint resolution to appoint Barber B. Conable, Jr., a citizen regent of the Smithsonian Institution. Senator SASSER, who sits with me on the Smithsonian Board of Regents, is a cosponsor of this resolution. Upon enactment, Mr. Conable would assume a seat now vacant on the Board. I introduced this joint resolution in the 102d Congress, and the Senate approved it on June 23, 1992. The House, however, took no action on the joint resolution.

Barber Conable, a fellow New Yorker whose reputation is well known to the Members of this body, has a long and distinguished record of public service. As I said of him on another occasion, some men meet standards; others set them. Barber Conable has been one of

the latter. President Bush concurred, calling him "one of the most sane and able men in the United States Congress." For some 20 years he represented upstate New York in Congress, the last 8 as the ranking Republican member of the Committee on Ways and Means. I served with him on many a conference committee in those years, and also on the National Commission on Social Security Reform established in 1983.

After serving nearly 20 shining years in the Congress, he and his wife Charlotte went to their lovely village of Alexander in upstate New York. Only to be asked by President Reagan to return to Washington to serve as head of the International Bank for Reconstruction and Development—the World Bank—which he did with equal brilliance for a full 5-year term. During his tenure the Bank nearly doubled its capital. But more importantly, he redirected the Bank's priorities—double the lending for education, greater consideration of the environmental impact of projects, and renewed emphasis on population control.

It is of special import to the Board of Regents that Barber Conable serves as Trustee of the National Museum of the American Indian and on the International Founders Council to raise funds for construction of the Indian museum on the Mall. He has chaired its development committee since October 1990. The Indian museum constitutes the largest single acquisition in the Smithsonian Institution's history and the largest collection in existence of artifacts from the native peoples of the Western Hemisphere. His knowledge of the museum and its collections, and his study of native American culture will be of inestimable value to the Board of Regents and the Smithsonian as a whole.

I urge my colleagues to support this resolution, and ask unanimous consent that its full text be printed in the RECORD at this point.

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

S.J. RES. 28

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That in accordance with section 5581 of the Revised Statutes of the United States (20 U.S.C. 43), a vacancy on the Board of Regents of the Smithsonian Institution, in the class other than Members of Congress, shall be filled by the appointment of Barber B. Conable, Jr. of New York. The appointment is for a term of 6 years and shall take effect upon the date of approval of this resolution.●

By Mr. MOYNIHAN (for himself and Mr. SASSER):

S.J. Res. 29. A joint resolution providing for the appointment of Wesley Samuel Williams, Jr., as a citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on Rules and Administration.

THE APPOINTMENT OF WESLEY SAMUEL WILLIAMS, JR., AS A CITIZEN REGENT OF THE BOARD OF REGENTS OF THE SMITHSONIAN INSTITUTION

( Mr. MOYNIHAN. Mr. President, I rise to introduce a joint resolution to appoint Wesley Samuel Williams, Jr., a citizen regent of the Smithsonian Institution. Senator SASSER, who sits with me on the Smithsonian Board of Regents, is a cosponsor of this resolution. Upon enactment, Mr. Williams would assume a seat now vacant on the Board. Senator GARN, with whom I served on the Board of Regents, introduced this resolution in the 102d Congress. Though the Senate approved it on June 23, 1992, the House took no action on the joint resolution.

Mr. Williams has enjoyed a distinguished career. A partner in the Washington, DC, law firm of Covington & Burling, Mr. Williams specializes in laws affecting financial institutions and their holding companies, in corporate securities, and bankruptcy law, and in real estate law. A member of the American, District of Columbia, Federal, National, and Washington Bar Associations, Mr. Williams has published numerous articles in several law journals.

Wesley Williams also distinguishes himself with his extensive community involvement. He serves on the board of trustees of the Family and Child Services of Washington, DC, and is a life member of the Washington, DC, Urban League. From 1980 until 1982, he was president of the board of trustees of the National Child Research Center and has served on the executive committee of the Harvard Board of Overseers.

Wesley Williams will serve the Smithsonian Board of Regents with distinction, and the Smithsonian will benefit accordingly.

I ask my colleagues to support this resolution and ask unanimous consent that its full text be printed in the RECORD at this point.

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

S.J. RES. 29

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That in accordance with section 5581 of the Revised Statutes of the United States (20 U.S.C. 43), a vacancy on the Board of Regents of the Smithsonian Institution, in the class other than Members of Congress, shall be filled by the appointment of Wesley S. Williams, Jr. of the District of Columbia. The appointment is for a term of 6 years and shall take effect on the date of approval of this resolution.●

ADDITIONAL COSPONSORS

S. 7

At the request of Mr. MCCONNELL, the names of the Senator from Idaho [Mr. CRAIG], the Senator from Idaho [Mr. KEMPTHORNE], and the Senator from Arizona [Mr. MCCAIN] were added

as cosponsors of S. 7, a bill to amend the Federal Election Campaign Act of 1971 to reduce special interest influence on elections, to increase competition in politics, to reduce campaign costs, and for other purposes.

S. 9

At the request of Mr. MCCAIN, the names of the Senator from Utah [Mr. BENNETT], and the Senator from Alabama [Mr. SHELBY] were added as cosponsors of S. 9, a bill to grant the power to the President to reduce budget authority.

S. 11

At the request of Mr. BIDEN, the name of the Senator from Texas [Mr. KRUEGER] was added as a cosponsor of S. 11, a bill to combat violence and crimes against women on the streets and in homes.

S. 15

At the request of Mr. ROTH, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 15, a bill to establish a Commission on Government Reform.

S. 20

At the request of Mr. ROTH, the names of the Senator from New Mexico [Mr. BINGAMAN], the Senator from Wyoming [Mr. SIMPSON], and the Senator from New Hampshire [Mr. SMITH] were added as cosponsors of S. 20, a bill to provide for the establishment, testing, and evaluation of strategic planning and performance measurement in the Federal Government, and for other purposes.

S. 27

At the request of Mr. SARBANES, the name of the Senator from Minnesota [Mr. WELLSTONE] was added as a cosponsor of S. 27, a bill to authorize the Alpha Phi Alpha Fraternity to establish a memorial to Martin Luther King, Jr., in the District of Columbia.

S. 118

At the request of Mr. INOUE, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 118, a bill to require the Commodity Credit Corporation to refund to first processors of sugarcane and sugar beets marketing assessments collected by the Corporation during fiscal year 1991, and for other purposes.

S. 155

At the request of Mr. DASCHLE, the name of the Senator from North Dakota [Mr. DORGAN] was added as a cosponsor of S. 155, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain amounts received by a cooperative telephone company.

## SENATE JOINT RESOLUTION 10

At the request of Mr. HOLLINGS, the names of the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Alabama [Mr. SHELBY], the Senator from Connecticut [Mr. DODD], the Senator from Arizona [Mr. DECONCINI], the

Senator from Colorado [Mr. CAMPBELL], the Senator from Nevada [Mr. BRYAN], and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of Senate Joint Resolution 10, a joint resolution proposing an amendment to the Constitution relative to contributions and expenditures intended to affect congressional and Presidential elections.

## SENATE RESOLUTION 13

At the request of Mrs. KASSEBAUM, the name of the Senator from Colorado [Mr. CAMPBELL] was added as a cosponsor of Senate Resolution 13, a resolution to amend the rules of the Senate to improve legislative efficiency, and for other purposes.

## SENATE RESOLUTION 31

At the request of Mr. MITCHELL, the name of the Senator from Colorado [Mr. CAMPBELL] was added as a cosponsor of Senate Resolution 31, a resolution to amend the Standing Rules of the Senate.

## SENATE RESOLUTION 39—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES FOR THE COMMITTEE ON ENERGY AND NATURAL RESOURCES FOR THE PERIOD MARCH 1, 1993 THROUGH FEBRUARY 28, 1995

Mr. JOHNSTON, from the Committee on Energy and Natural Resources, reported the following original resolution; which was referred to the Committee on Rules and Administration:

## S. RES. 39

*Resolved*, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Energy and Natural Resources is authorized from March 1, 1993, through February 28, 1994, and March 1, 1994, through February 28, 1995, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or non-reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee for the period March 1, 1993, through February 28, 1994, under this resolution shall not exceed \$2,938,002.

(b) For the period March 1, 1994, through February 28, 1995, expenses of the committee under this resolution shall not exceed \$3,000,982.

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1994, and February 28, 1995, respectively.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee,

except that vouchers shall not be required (1) for the disbursement of salaries of employees paid at an annual rate, or (2) for the payment of telecommunications provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (3) for the payment of stationery supplies purchased through the Keeper of the Stationery, United States Senate, or (4) for payments to the Postmaster, United States Senate, or (5) for the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (6) for the payment of Senate Recording and Photographic Services.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from March 1, 1993, through February 28, 1994, and March 1, 1994, through February 28, 1995, to be paid from the Appropriations account for "Expenses of Inquiries and Investigations."

## ADDITIONAL STATEMENTS

## CANADIAN FEED WHEAT EXPORTS

● Mr. DORGAN. Mr. President and Members of the Senate, I wish to just briefly explain a recent development in our ongoing problem with a flood of Canadian grain into the United States market.

It appears the Canadian Wheat Board has found another way to aggravate our grain supply problems in the United States, and I believe the Wheat Board's behavior once again underscores the need for the Congress to deal forcefully with the flood of subsidized Canadian grain that is pouring across our northern border.

The Wheat Board, a quasi-government body that controls all Canadian grain exports, has been flooding the United States Durum wheat market with Canadian Durum since the first year of the United States-Canada Free-Trade Agreement in 1989. Each year, the Wheat Board has expanded—sometimes even doubled—grain exports to the United States. The tide of Canadian grain confounds both Government and industry efforts to market our own grain and avoid surplus supplies.

Just recently I learned that the Wheat Board has been approving the direct trucking of low-quality feed wheat across the border by Canadian farmers. I should explain that, in order for Canadian farmers to export grain directly into the United States, the farmers must first turn the grain over to the Wheat Board, and then buy it back and receive an export permit. So, any legal shipment of grain across the border is by Wheat Board approval.

The Wheat Board was certainly aware last fall that United States and Canadian wheat crops suffered a lot of weather damage, and that both the United States and Canada would therefore have more low-quality wheat than would normally be needed for domestic purposes. I am sure the Wheat board also followed the news quite closely in

October when U.S. Department of Agriculture responded to the low-quality wheat situation with a rather extraordinary effort to relieve the market of some of the feed wheat, thereby preventing a price collapse for low grades of wheat.

Secretary of Agriculture Edward Madigan, using the Government's authority to assist hungry nations in the form of surplus United States grain, announced that USDA would buy enough low-quality wheat from farmers to prevent surpluses of low-grade wheat from accumulating, and he would use a special foreign aid program to send that wheat to hungry people in Russia and elsewhere.

In fact, by January 20 USDA had bought 31 million bushels of low-quality wheat for that program in an effort to relieve the U.S. market of excessive supplies of such wheat.

The Wheat Board, however, is apparently not willing to respect our efforts to solve our wheat supply problems in this country. Knowing full well that USDA was trying to prevent a surplus supply of feed wheat in the United States, the Wheat Board is approving export permits by the hundreds to send lower grades of wheat into the United States. The Wheat Board apparently saw our effort to relieve our surplus as an opportunity, and began backfilling the granaries of low-quality grain we have been trying to empty.

This behavior by the Wheat Board is a continuation of the outrageous policies that have been evident since our two nations began negotiating a free-trade agreement. It is a policy of watching what our Government does to relieve surplus grain problems, and responding with exports into the United States to nullify our efforts.

The shipment of Canadian feed grain into the United States once again points up the need to gain some reasonable control on the Wheat Board's unrestrained grain exports into the United States. Without some restraint, our Government cannot relieve our market of price-depressing surpluses, or help family farmers achieve the market prices they need to survive on the land.●

#### SUBMARINE CONSTRUCTION

● Mr. D'AMATO. Mr. President, I believe that both a third *Seawolf* and the *Centurion* are unaffordable. I say this as someone who fought hard for a third *Seawolf* last spring and who has been the leading advocate of the *Centurion* in Congress. Recent GAO cost estimates for the SSN-21 and SSN-22 indicate that an SSN-23 would be prohibitively expensive. As for *Centurion*, we simply cannot afford a new start in the current budget environment.

For that reason, I will be proposing an I688+ for fiscal year 1994. By I688+, I mean a baseline I688-class sub with the

inclusion, on a case-by-case basis, of new technologies, *Seawolf*-derivative or not, that are more affordable than those currently fielded by the I688-class, offer identical or improved capabilities, and match or better both the weight and space footprints and the power and cooling requirements of the systems or components being replaced.

In my opinion, an I688+ is the only affordable way to maintain both the submarine industrial base and an effective submarine fleet, especially in light of the fact that President Clinton's defense cuts are expected to be doubled those of former President Bush. I will be working hard with my submarine-minded colleagues to include the first I688+ submarine in this year's budget.●

#### TRIBUTE TO AUGUSTA

● Mr. McCONNELL. Mr. President, I rise today to pay tribute to the town of Augusta in Bracken County.

Augusta is a small, riverfront community situated on the Ohio River in northern Kentucky. Augusta is a town immersed in history. However, there are efforts being made to ensure that Augusta moves forward to a prosperous future.

Many of Augusta's buildings are from the 18th century. In fact, all of Augusta's Riverside Drive is listed in the National Register of Historic Places. Recently, there has been a concerted effort by the town to ensure the preservation of all of Augusta's historic buildings. Civic beautification is important to the residents of Augusta.

Augusta boasts an extensive cultural life for a town of its size. This includes art galleries, antique shops, and an annual writers' conference that has included many noteworthy writers. Augusta's smalltown charm has attracted many outsiders to the area, which helps the local economy. The Augusta ferry has been providing service across the Ohio River for almost 200 years. Industry is not an integral part of Augusta. However, many believe that Augusta's lack of growth in the past has helped prepare it for a bright future. Growth will occur in Augusta, but only at a pace that the town and its residents feel comfortable with.

I applaud Augusta's efforts to maintain its historical charm, but at the same time its move forward, making it one of Kentucky's finest towns.

Mr. President, I ask that a recent article from Louisville's *Courier-Journal* be printed in today's CONGRESSIONAL RECORD.

The article follows:

AUGUSTA

(By John Voskuhl)

Augusta is on intimate terms with history. In this Bracken County town on the Ohio River, the past isn't relegated to historical markers or pages in books. You can touch it.

It's in the buildings, the 18th century rowhouses, the Victorian homes. It's in the

remnants of unusual places, like the state's first Methodist college, or a winery that used to produce half the nation's wine.

It's in the memories of people who can show you the houses where the parents of Gen. George C. Marshall lived or where President William Henry Harrison is said to have stayed.

But it's there in a deeper, more personal way. It's the sort of history that doesn't just take you back in time; it takes you out of time. The calendar loses its sway. Clocks become mere ornaments.

Just ask Lois Greene, who owns and operates the Piedmont Gallery, an art gallery on Augusta's Riverside Drive.

"I think what really attracted me more than anything was a sense of history," said Greene, a Cleveland native, who moved to Augusta in 1975. "The mood of the river just seemed right to me. Something said, 'Don't rush off.'"

She didn't rush off. Greene bought some buildings on Riverside Drive that date to the 18th or 19th centuries. The street, which has become Augusta's main tourist draw, is home to art galleries, antique shops, a fine restaurant and a leathersmith. When Greene arrived, it was home to dilapidation.

"The doors were banging open," she recalled. "Some of the back walls were gone."

In the words of Michael Bach, a former mayor of Augusta, "You or I or just about anyone could have walked down there and bought the whole place for 1,500 bucks."

Greene arrived just as Augusta residents and folks from out of town were embarking on a drive to restore the town's heritage. Local activists bought up the buildings to prevent their destruction and held them while the city set about attracting developers to restore them. The quaint commerce it has brought has made Augusta something of a tourist draw.

The change is bringing a different kind of resident to Augusta, said Larry Kelsch, a native and superintendent of the city's independent school system. In 1965, when Kelsch graduated from Augusta High School, his senior class had 23 students, he said. This year's class has 15.

"A lot of folks from Cincinnati are coming here to retire," he said. With fewer young families, the 275-student district is facing declining enrollments, he said.

At the same time, Greene and others have fostered a cultural life that includes not only art galleries and craft fairs but also an annual writers' conference that has included such writers as Kentucky author Ed McClanahan and National Public Radio's Noah Adams.

Here's a quick statistic: Augusta has more art galleries (three) than gas stations (two).

That's a lot of culture to drop on an unsuspecting town of 1,336, where the local Ford dealership sells tractors instead of autos and some people are hunting jobs instead of antiques.

And it hasn't gone unnoticed that many of the people who bought and restored the old properties and opened the quaint businesses are not natives.

"The money that is restoring Augusta is coming from outside Augusta," said Elizabeth Parker, whom most folks recognize as the town's unofficial historian.

Parker credits many of Augusta's new arrivals for helping to renew interest in civic beautification, at least partly through their ability to donate money.

"The things that are insurmountable for our people are a snap for them," she said.

Other long-time Augusta residents haven't always been so warm toward the new arriv-

als—or their emphasis on history. Though most folks say everybody gets along fine now, former Augusta Mayor Tom Appelman acknowledges that there have been some less harmonious times.

"There had been some friction over the years regarding that. People say, 'Why are we promoting that? It don't bring me any money,'" said Appelman, who works as plant manager at Clopay Corp., Augusta's largest employer.

It's not that natives are indifferent to the town's history—many of the restored homes are owned by long-time Augustans—but the town has been slower than others to market its history.

By way of illustration, here's a quick quiz: What city inspired Stephen Foster to write "My Old Kentucky Home," the common-wealth's state song?

Most folks say Bardstown, which is home to the outdoor drama "The Stephen Foster Story." But historians have never substantiated that Foster, who lived in Pittsburgh and Cincinnati, ever visited Bardstown, according to "The Kentucky Encyclopedia."

The encyclopedia notes that Foster's only verified trip to Kentucky occurred in 1833, when his mother took him as a child to visit relatives in Louisville and—you guessed it—Augusta.

Some of Augusta's tourism brochures claim that Foster wrote part of "My Old Kentucky Home" in Augusta—a dubious claim, since he was only 7 years old during his visit. But the town would seem to have just as valid a claim to the honor as Bardstown, if not more so.

"Bardstown beat us to it," said Parker. "We have been a day late and a dollar short around here."

In a way, though, Augusta's lack of growth has helped make the town ready for its renaissance, she said. "We have been on ice," she said.

The small-town charm, largely undiluted, has clearly been Augusta's attraction for the newcomers.

For example, Nancy Withers, who last summer took over the Lamplighter Inn, Augusta's Victorian-era bed-and-breakfast inn, headed for Augusta after 18 years as a social worker in Cincinnati and Hamilton, Ohio.

"I had this longing for a small town," she said. "I had this longing for a quietness."

That sentiment is echoed among the town's imports.

"I think there's a certain peace that you find in your soul when you live in a little town," said Luciano Moral, the Cuban-born chef and co-owner of the Beehive Tavern.

Moral, who lived in Philadelphia and Cincinnati before moving to town about 12 years ago, serves up some of the best black-bean soup ever offered in a colonial setting, as well as more traditional foods that have drawn rave reviews in area publications.

On occasion, Moral, an operatic tenor who has performed professionally, will also serve up an aria or two, according to Mea Dewers, who says she has heard him through open windows.

"It's incongruous in a little town like this, but it's wonderful," said Dewers, who left

Brown County, Ind., three years ago to open an Augusta leather-goods shop, The Monday Morning Workshop.

From her shop, Dewers can watch the Ohio River roll by.

"I suspect the view out there must be quite a bit like it was 200 years ago," she said. "There's no marinas. There's no power plants. Just a pleasant view."

One part of the view that hasn't changed during much of that past two centuries is the Augusta Ferry.

With no bridge, the ferry provides the only means for Ohioans and others from points north to cross the Ohio River into town. Though its ownership has changed hands several times, authorities say a ferry has been operating continuously—except in bad weather—since around 1800.

For the past 15 of those years, pilot Donald Bravard has been at the helm.

Bravard, an Augusta native, said he works seven days a week. "There's nobody else who knows how to pilot," he said. Except for holidays and a few stray weeks over the years, he has been at work every day, he said.

He estimated that he makes 25 roundtrip crossings a day. That's far more than 100,000 voyages—each about a mile and a half. At that clip, Bravard could have traveled around the world eight times. But he's happy in Augusta.

"I wouldn't go anywhere else," he said.

Aboard the ferry, on a sunny autumn afternoon, it's easy to understand why.

Water laps against the hull. The deck sways gently. The scenery, so often seen whizzing past windshields, sits still for a while. It makes one wonder what might have happened if there had been no riverfront restoration during the '70s.

Appelman, the former mayor, remembers the time well.

The city had brought two of the old buildings on Riverside Drive and had torn them down to make a recreation area.

"That kind of got the historians up in arms," he said. "They ended up buying those properties, mainly to keep us from tearing them down."

The rest, as they say, is history.

Jobs: Agriculture, 573; manufacturing, 290; wholesale/rental trade, 229; services, 114.

Big employers: Clopay Corp., plastic sheeting manufacturing, 250 jobs; F.A. Neider Co., manufacturing, 34 jobs.

Education: Augusta Independent Schools, 275 students.

Transportation: Air: Fleming-Mason Airport, 30 miles. Nearest airport with commercial service: Greater Cincinnati International Airport, 45 miles. Rail: CSX Corp. provides freight service. Road: Augusta is served by Ky. 8, 19, 435 and 648, which is better known as the "AA Highway."

Media: The Bracken County News, published weekly in Brookville.

Population: Augusta, 1,336; Bracken County, 7,766.

Per Capita income (1988): \$10,384, or \$2,408 below state average.

Topography: Augusta lies in the floodplain of the Ohio River and is bounded by rolling

hills on its southern edge, which give way to farmland.

FAMOUS FACTS AND FIGURES

All of Augusta's Riverside Drive is listed on the National Register of Historic Places. Singer Rosemary Clooney, the Maysville native known for such hits as "Come on-a My House" owns a home in Augusta. The place is on Riverside Drive, if you want to go on-a her house.

Augusta College, which some accounts call "the first college in the world founded under the patronage of the Methodist Episcopal Church," was founded in 1822. The college closed in 1849, after southern Methodists withdraw their support, citing the school's stance against slavery. It reopened in 1879, but closed for good eight years later. Its campus is now the home of the Augusta Independent Schools.

Playwright and producer Stuart Walker Armstrong, who patented a portable stage that brought entertainment to rural communities, was born in Augusta in 1880.

Besides the television mini-series "Centennial," Augusta has gone before the cameras for "The Adventures of Huckleberry Finn" and, just this year, "Lost in Yonkers."

Augusta's wine industry, which began in 1860, produced 30,000 gallons a year. But the industry died out when insects devoured the grape cultures in the 1870s.

Much of Augusta was destroyed in 1862 when a detachment of Col. John Hunt Morgan's Confederate raiders burned the city. The Battle of Augusta was costly, however, for the rebel raiders. A home guard of about 100 men exhausted the ammunition of the 350 raiders, forcing them to retreat before they reached their primary target, Cincinnati.

ORDERS FOR TOMORROW

Mr. KERRY. Mr. President, on behalf of the majority leader, I ask unanimous consent that when the Senate completes its business today, it stands in recess until 2 p.m., Thursday, January 28; that following the prayer the Journal of the proceedings be deemed approved to date; and following the time for the two leaders there be a period for morning business, with Senators permitted to speak therein for up to 10 minutes each.

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

RECESS UNTIL 2 P.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until Thursday, January 28, at 2 p.m.

Thereupon, the Senate, at 4:30 p.m., recessed until Thursday, January 28, 1993, at 2 p.m.