



United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 103^d CONGRESS, FIRST SESSION

SENATE—Tuesday, June 22, 1993

The Senate met at 9 a.m. and was called to order by the Honorable BYRON L. DORGAN, a Senator from the State of North Dakota.

PRAYER

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

Let us pray:

In a moment of silence, let us remember Senator MURRAY in the hospital, and pray for her speedy and complete recovery.

[Moment of silence.]

If the Son therefore shall make you free, ye shall be free indeed.—John 8:36.

Almighty God, Lord of history, as representatives of the nations dispute the meaning of human rights in Vienna, help those who represent us to remember the self-evident truths which our Founding Fathers believed, “* * * that all men are created equal—that they are endowed by their Creator with certain unalienable rights—that to secure these rights governments are instituted * * *.”

Our Founding Fathers believed that God was the Author of human rights; they were not the gift of government. Help us to comprehend this foundation truth that, to the extent we separate ourselves from God the Creator, we threaten inalienable human rights. Give our American representatives the wisdom to uphold our view of freedom and save them from the illusion, which will be espoused by some representatives, that freedom is bestowed by government.

Gracious Father, forgive us for forgetting the Source of our human rights and restore to us the faith upon which those rights are based.

In the name of the Son. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 22, 1993.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable BYRON L. DORGAN, a Senator from the State of North Dakota, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

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

RESERVATION OF LEADER TIME

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

BILL READ FOR THE SECOND TIME—H.R. 5

The ACTING PRESIDENT pro tempore. The clerk of the Senate will read the bill H.R. 5 for the second time.

The assistant legislative clerk read as follows:

A bill (H.R. 5) to amend the National Labor Relations Act and the Railway Labor Act to prevent discrimination based upon participation in labor disputes.

Mr. BYRD. Mr. President, I object to any further action at this time.

The ACTING PRESIDENT pro tempore. Under the precedents of the Senate, the bill will be placed on the Senate Calendar.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that the order with respect to the amendment by Mr. DECONCINI stay in place as ordered, but that the time on that amendment begin running at 10 o'clock or at the conclusion of my remarks.

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

Mr. BYRD. Mr. President I ask unanimous consent that I may proceed for 1 hour as if in morning business.

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

The Senator from West Virginia is recognized for 1 hour as if in morning business.

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

LINE-ITEM VETO—VII

Mr. BYRD. Mr. President, this is the seventh in my series of speeches on the line-item veto.

Last week, we followed Hannibal, the Carthaginian general to the Battle of Cannae, which occurred in 216 B.C. on August 2. We also followed Hannibal to the Battle of Zama in North Africa, in 202 B.C.

At the Battle of Cannae, Hannibal delivered the greatest defeat ever suffered by the Romans and their allies. Broadly speaking, Rome's allies were of two classes: One, the Latin allies, and, two, the Federated Italian States, which were spread throughout the Italian peninsula. The allies did not serve within the Roman legions, but they formed separate detachments of cavalry and foot soldiers to serve under the control of the Roman consuls or other Roman officers commanding the legions. The allies constituted scores of communities, both tribal and city, each of which had its own special treaty with Rome. The allied communities raised their own detachments of soldiers and horsemen, and they equipped their armies, but they received their subsistence from Rome and shared equally with the Romans in the distribution of the spoils from the wars.

The Battle of Cannae was one of the greatest battles of antiquity, and it was the bloodiest of all Roman defeats. At Cannae, the consummate military genius of Hannibal was displayed, and his masterly tactics on that occasion have found admirers among the great commanders in all of the subsequent ages.

He was able to win a victory there over vastly superior numbers by forcing the Roman army to “jam” itself. He forced it to crowd itself densely into a struggling, helpless mass—a mass which was shut in on all sides, a mass

● This “bullet” symbol identifies statements or insertions which are not spoken by a member of the Senate on the floor.

upon which every blow told, a mass which could give but few blows in return.

In one afternoon, the Romans and their allies lost more men on the slaughter field at Cannae than the United States lost during the entire 8 years of the war in Vietnam. A terrible sinking feeling of utter despair descended like a cloud upon the Roman citizens when they heard the awful news of the carnage and destruction dealt by this latest blow at the hands of the Carthaginian general, Hannibal.

Eighty Senators were killed, along with Consul Paulus, the two proconsuls, Atilius and Servilius, two quaestors, a former Master of the Horse under Fabius Maximus, and 29 military tribunes. Yet, the reaction of the Roman Senate was to display its iron mood. The stamina of the Romans and the resiliency of the Roman political system were such that they were able to endure 13 additional years of devastation and ruin dealt by Hannibal before he left Italy in 203 B.C. to be defeated at the Battle of Zama in 202 B.C. by the Roman Consul Publius Cornelius Scipio, surnamed Africanus.

The Second Punic War had ended, and, yet, there was hardly a mother within the walls of Rome who had not suffered the loss of a brother, a son, a father, or a husband. A heavy tribute had been levied upon the manpower of Rome, and the wastage of blood in the struggle was best seen in the reduced numbers of men available for military service.

The federated allies had undoubtedly suffered losses just as great. The greatest losses fell upon southern Italy, where, year after year, the fields were laid waste and villages devastated by the opposing armies until the rural population had almost disappeared, the land had become a wilderness, and many towns had fallen into decay.

It was a struggle that called forth a recrudescence of the old Roman virtues of courage, self sacrifice, patriotism, and religious devotion.

We saw last week that the Roman dictator, Fabius Maximus, was chosen in 217 B.C. following the disastrous defeat of Flaminius at Lake Trasimene. By the way, the Battle of Lake Trasimene occurred 2,210 years ago today: June 22, 217 B.C. We saw Fabius Maximus take steps to renew the religious ceremonies and to assure that the divine element would not be neglected. By so doing, Maximus restored the morale of the Roman people. We also saw the rugged patriotism of the Roman Senate when it refused the offer of Hannibal to ransom Roman soldiers taken prisoner at Cannae.

The Roman Senate had reached its zenith. It had emerged from the Second Punic War more powerful than ever. And even though the will of the people was theoretically sovereign after the passage of the Hortensian law in 287

B.C., from that time to the tribunate of Tiberius Sempronius Gracchus, in 133 B.C., the Senate exercised a practically unchallenged control over the Roman State.

The Senate was able to guide or to nullify the actions of the Roman magistrates, the tribunate, and the assemblies. It assigned to the consuls their spheres of duty. It allotted to the other magistrates their commands. And all contracts that were let by the censors were only valid if they were approved by the Roman Senate.

The Senate continued to exercise its absolute control over all expenditures from the public treasury, and, through its influence over the magistrates and the tribunes, the Senate was able to control the legislative and the elective functions of the comitia.

The treaty that ended the Second Punic War had imposed upon Carthage the restriction that she could not make war anywhere without the consent of Rome. This had the effect of making Carthage a client of Rome.

At the same time, Masinissa, a strong Numidian ruler, was installed as a loyal Roman client on the western and southern boundaries of Carthage. The Romans continued, perhaps exaggeratedly, to fear and suspect their former enemy, and they were, therefore, prepared to seize upon any pretext that would serve as an excuse for the destruction of Carthage.

The opportunity came through the actions of Masinissa. The Numidian chieftain, knowing the restrictions imposed upon Carthage by her treaty with Rome, and understanding the attitude of Rome toward Carthage, attacked Punic territory frequently.

Under the treaty, the Carthaginians, of course, could do nothing but appeal to Rome, but the numerous commissions—they sent out commissions in those days just as we do in ours—that were sent out by the Roman Senate to investigate the complaints of frontier violations invariably decided in favor of Masinissa.

One member of one of those commissions sent out to resolve a border dispute was Marcus Porcius Cato the Elder. Cato was still obsessed with the fear that the invasion of Hannibal had inspired in his early life. And Cato returned from his mission to Carthage filled with alarm at the wealth and the growing prosperity and strength of Carthage, which he considered to be a deadly rival of Rome.

He, therefore, bent all of his energies toward accomplishing the downfall of Carthage, and, in all of his succeeding years, he concluded all of his speeches in the Roman Senate with the words, "Carthage must be destroyed."

Friction with Masinissa resulted in a chain of events that led ultimately to the delivery of an ultimatum by Rome to the Carthaginians to abandon their city and to resettle within at least ten

miles from the seacoast. This was practically a death sentence to the ancient mercantile city.

The Carthaginians decided upon a last-ditch defense of Punic interests. Their weapons had been taken from them by the Romans earlier. They, therefore, improvised weapons, manned the city's walls, and defied the Romans. Thus, the Third Punic War began in 149 B.C.

For 2 years, the Romans, because of the incapacitation and incompetency of their commanders, and also because of the heroic and spirited defense of the city, accomplished little.

In 147 B.C., Publius Cornelius Scipio Aemilianus, the adopted grandson of Scipio Africanus, was chosen consul. He immediately went about defeating the Carthaginians in the field, and he energetically besieged the city. In the spring of 146 B.C., Scipio Aemilianus captured the city after a terrible struggle in the streets and in the houses of the city.

The Carthaginians, those who were the survivors, numbering about 50,000, were sold into slavery, and their city was leveled to the ground. The site upon which the city had stood was declared accursed. Carthage was no more.

The territory of Carthage was formed into a Roman province called Africa.

In the same year of 146 B.C., which witnessed the destruction of Carthage, the Greek city of Corinth was sacked and burned by the machinations of the Roman consul, Lucius Mummius, surnamed Achaicus. The art treasures of the city were carried off to Rome, and the inhabitants, like the inhabitants of Carthage, were sold into slavery.

The other Greek cities entered into individual relations with Rome; some, like Sparta and Athens, as Roman allies. The others were made subject and tributary.

Mr. President, time precludes me from making more than a passing reference to the Macedonian and the Syrian wars and other wars from which Rome emerged victorious.

In 168 B.C., the Roman consul, Lucius Aemilius Paulus, surnamed Macedonicus, won a complete victory over King Perseus of Macedonia at the Battle of Pydna. Perseus was taken to Rome, where he was treated with scorn and ignominy, and he died there in captivity. The Macedonian Kingdom, therefore, was brought to an end in 168 B.C.

During the Third Macedonian War, the Syrian king, Antiochus IV, Epiphanes, invaded Egypt. The Roman Senate, following the Battle of Pydna, dispatched an ambassador, Gaius Popillius Laenas, to call upon Antiochus and to urge him to withdraw from Egypt.

Popillius met with Antiochus at Alexandria, Egypt, and Popillius delivered the message to Antiochus that the Roman Senate had sent urging him to

withdraw from Egypt. The Syrian King asked for time to consider. The Roman drew a circle around the Syrian King and bade him to answer before he left the spot. Antiochus yielded and pulled his troops out of Egypt.

Cisalpine Gaul, that area of north Italy on the southern side of the Alps, bordering the Po River, had been largely lost to Rome during the Hannibalic invasion, but it was recovered by wars.

In Spain, Scipio Aemilianus, the destroyer of Carthage, destroyed Numantia in 133 B.C., and the Carthaginian territory in Spain was organized by Rome into two provinces, Hither Spain and Farther Spain.

In that same year of 133 B.C., the King of Pergamum, Attalus III, surnamed Philometor, died, the last of his line. In his will, he made Rome the heir to his kingdom. The kingdom of Pergamum was formed into a new province, the Province of Asia. The occupation of this kingdom made Rome the mistress of both shores of the Aegean Sea and provided a convenient bridgehead for Rome for further advances eastward.

Mr. President, when Rome embarked on the First Punic War in 264 B.C., no Roman soldier had ever set foot out of Italy. But between 264 B.C. and 133 B.C., as we have seen, Rome became supreme throughout the Mediterranean world.

From the earliest times, the Romans had believed that Rome had a providential destiny, smiled upon by the gods. The individual Roman believed in that sense of destiny for his country, and he also believed that it was his duty and mission to give his life, if necessary, toward the fulfillment of that providential destiny for his country.

I also mentioned in one of my earlier speeches that there were many parallels between the history of the Romans and the history of America. And as we have witnessed this territorial expansion by Rome between the years 264 B.C. and 133 B.C., it is evident that one of these parallels was that strong sense of national destiny.

From the very beginning of our own history, as the distinguished Senator from Mississippi will recall, the uniqueness of the American national mission has received religious and secular explanations. As he will recall from his study of American history, in 1630, John Winthrop, in a sermon, exhorted his fellow travelers to New England:

Men shall say of succeeding plantations, the Lord make it like that of New England. * * * For we must consider that we shall be as a city upon a hill, the eyes of all people upon us.

And my good friend, the senior Senator from Mississippi, will also remember that, after 200 years of westward expansion, which brought them to Missouri and Iowa, Americans perceived their destined goal. The whole breadth

of the continent was to be theirs! It was for a man by the name of John L. O'Sullivan, a New York journalist, to capture this mood in one sentence.

Nothing must interfere—

He wrote in 1845—

with the fulfillment of our manifest destiny to overspread the continent allotted by Providence for the free development of our yearly multiplying millions.

Mr. President, for all of its existence, the United States Senate has been the principal national forum for applying this powerful sense of destiny to the fundamental issues that have faced generations of Americans. And it is not too far from reality to understand what the historians have meant, when they have identified the Senate's "Golden Age"—that period beginning in the second quarter of the 19th century—with the start of fierce debates over the concept of our nation's structure and destiny. But whether the national destiny is to be defined as "territorial expansion," in the 19th-century sense, or as the advancement of science and commerce, individual liberty, human rights, economic opportunity, or space exploration and travel, the United States Senate has played an indispensable role, as did the Roman Senate 2,000 years ago.

Mr. President, the century that began with the year 133 B.C. has often been referred to as the period of the Roman Revolution. It was an era of increasingly bitter strife that erupted into bloody civil wars, which ultimately destroyed government by oligarchy, brought about the end of the Roman Republic, and replaced it with a disguised form of monarchy. At this point, I again refer to the Magna Carta, as I did on last Tuesday, that having been the 778th anniversary of the Great Charter, which was signed on June 15, 1215.

At Runnymede, for the first time in recorded history, representatives of the governed—in this case, the English barons—called upon the royal executive, King John of England, to account for his imperious behavior, and they coerced him into signing the agreement which ever after required him to recognize limitations upon his royal power. Out of that deed was born, over a period of long and bloody centuries, the idea and the reality of representative government, government in which there were limitations on the powers of those who governed.

The Magna Carta is viewed as the basic keystone document in the Anglo-Saxon heritage of constitutional and limited government. It is also viewed as the underlying foundation of our American heritage, of the right of the governed to place limitations on the powers of government officials, especially the chief executive.

Conversely, as the Roman Senate slowly but surely lost its will to shoulder its responsibility to act as a check

upon the executive, more and more, the Roman Senate ceded power into the hands of those executives, or imperators—or emperors, as they were later called—who finally, in fact, took power into their own hands.

This ceding, or transfer, of power into the hands of the emperors resulted from a loss of will and courage by the Roman Senate, and it reflected the slow decadence and the agonizingly prolonged decline that Rome experienced, as the Republic collapsed and the Empire emerged.

What has all of this to do with the line-item veto? What does Roman history have to do with the line-item veto? Where is the relevancy? Well, I want to tell you, Robert C. Byrd is not the only individual, by any means, who has detected a relevancy between the line-item veto and Roman history. The great Montesquieu—author, philosopher—wrote, as we very well know, "The Persian Letters" and "The Spirit of the Laws."

But perhaps not many people know that Montesquieu also wrote a history of the Roman people—of their greatness and their decline. He was intrigued by the Roman people and their history. He also visited the various political divisions in Europe and stayed quite a period of time in England.

It was the contemporary institutions of England, together with Roman history, that influenced Montesquieu in his philosophy concerning the separation of powers and checks and balances. As we all know, Montesquieu's philosophy of separation of powers and checks and balances had a great impact upon the Framers of the United States Constitution. Those men who met in Philadelphia in the summer of 1787 very well knew about Montesquieu. They were well read. They knew of his philosophy of separation of powers and checks and balances, and they drove that linchpin right into the center of the Constitution. The power of the purse, of course, is the mainspring in that constitutional system of separation of powers and checks and balances.

Montesquieu saw it—I have seen it. What is the relevancy? To put it simply and elementally, by delivering the line-item veto into the hands of a President—any President, Republican or Democrat or Independent—the United States Senate will have set its foot on the same road to decline, subservience, impotence, and feebleness that the Roman Senate followed in its own descent into ignominy, cowardice, and oblivion.

Mr. President, will we stay with the spirit of Runnymede? Or will we go the way of Imperial Rome?

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 legislative clerk proceeded to call the roll.

Mr. COCHRAN. 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.

IMPORTANCE OF NURSES

Mr. COCHRAN. Mr. President, as we begin our review of the options for health care reform, one of the important areas for consideration is how we control more effectively the rising costs of health care. A recent article on the editorial page of the Commercial Appeal of Memphis, TN, discusses "Nurses: The Neglected Resource in Health Care Reform."

I think it is a very strong and compelling argument for the consideration of nurses as a very important source of improved and efficient health care services.

Mr. President, I ask unanimous consent that a copy of this article by Geraldene Felton from the Monday, June 14, issue of the Commercial Appeal be printed in the RECORD.

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

[From the Memphis (TN) Commercial Appeal, June 14, 1993]

NURSES: NEGLECTED RESOURCE IN HEALTH CARE REFORM

(By Geraldene Felton)

At the University of Iowa Hospitals and Clinics, two certified nurse-midwives were hired recently in the department of obstetrics and gynecology and are providing a less expensive alternative for women giving birth.

The cost is one-fifth that of a physician, and the nurse-midwives also are helping dispel the notion of the maternity experience as a sickness.

Similarly, at clinics throughout rural Iowa, nurses are assuming roles traditionally reserved for physicians. Faced with a severe shortage of pediatricians, many of whom have been attracted to more populous regions, rural clinics have hired pediatric nurse practitioners to administer to the health care needs of children.

These examples show how expanding the role of nurses can reduce health care costs and improve access to care. As the nation seeks to achieve reforms that make health care services both affordable and accessible, it would be wise to consider the contributions that nurses in advanced practice can make—and to remove barriers that prevent them from making those contributions.

Advanced nurse practitioners, including nurse midwives, nurse anesthetists, and clinical nurse specialists, are registered nurses with additional training in certificate- or master's-degree programs. Studies show they provide a quality of care that is equivalent, if not slightly superior, to that of physicians to primary-care services.

Such services include assessing and diagnosing commonly occurring conditions, ordering tests, implementing treatment plans, prescribing some medications, administering immunizations and educating and counseling patients.

In 1986, the Office of Technology Assessment (OTA) consolidated the findings of 24

studies and found no significant differences. (Two studies found physicians did better than nurses in managing problems of patients.)

The OTA report also confirmed that nurses play a crucial role in serving geographic areas where physicians are in short supply.

"Nurse practitioners are especially valuable in improving access to primary care and supplemental care in rural areas and in health programs for the poor, minorities and people without insurance," the report said.

Nurses were also found to be valuable in other settings lacking physicians, such as private homes, nursing homes, correctional institutions and terminal-care facilities. In 1988 the Institute of Medicine concluded that "the use of nurse practitioners, certified nurse midwives, and other nonphysician practitioners is often central to programs designed to increase the capacity and utilization of prenatal-care systems relied on by low-income women."

Nurses save on health care costs in a number of ways. When the Robert Wood Johnson Foundation sent faculty and students from 11 nursing schools to home sites, the cost of employing new nurses was more than offset by the savings. These savings came from the appropriate use of medications and from reductions in physical and chemical restraints, incontinence and the use of catheters.

In perinatal care—during and around the time of birth—nurses have spearheaded efforts to improve the care of low-birth-weight infants. The improvements resulted in earlier discharges and reduced hospital and physician charges by 24 and 22 percent, respectively. If only half of the 270,000 low-birth-weight infants born yearly in the United States had this service, the savings would be an estimated \$167 million.

Despite the good news, unnecessary barriers prevent the full use of nurses as cost-effective health care providers. Although advanced nurse practitioners are accepted in all 50 states and more than 30 states allow them to prescribe medications, state provisions governing their scope of practice and prescriptive authority are conflicting and restrictive. In addition, state and federal standards of reimbursement are fragmented and stingy.

Malpractice insurance for nurse practitioners is expensive and not always available. This often prevents them from practicing independently and from receiving hospital admitting privileges.

Reforms in these areas—scope of practice, prescriptive authority, reimbursement and malpractice insurance—are critical. Health care planners must not waste this precious resource. Nurses in advanced practice have proven they can deliver affordable, high-quality health care services to a large number of people.

Mr. COCHRAN. 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. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum will be rescinded.

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

The Chair recognizes the Senator from Oregon [Mr. HATFIELD].

Mr. HATFIELD. Mr. President, I ask unanimous consent to speak as if in morning business.

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

The Senator is recognized.

TRIBUTE TO MRS. RICHARD NIXON

Mr. HATFIELD. Mr. President, I have just received word that Mrs. Richard Nixon passed away having suffered for many years with emphysema, and I understand that cause of death was given as lung cancer.

On occasions like this, I know that we all extend our deepest sympathy to our former President, Mr. Nixon, and for those of us who had the opportunity to be friends with both Mr. and Mrs. Nixon, it is an occasion to at least recall some of those wonderful memories as part of our tribute to a very gallant lady. I should note, Mr. President, that this sad news comes just one day after the Nixon's 53d wedding anniversary.

I am sure that those of us here in this Chamber realize the tremendous contribution made by our wives or our spouses to our political success and for our public service, not only our spouses and wives but our children as well, and often times they are the targets of much political criticism that is really aimed at the principal rather than the member of the family to which the criticism may be leveled.

Those of us who knew the Nixons of course realize that perhaps in her heart of hearts she would have chosen another profession for her husband. She was not one of those who really exulted in the political struggles and political difficulties that her husband's career represented.

And yet she was a gallant lady, because she persevered. She played her part. She was a true effective partner in all the years President Nixon served as a Member of the House of Representatives in the U.S. Congress, as a Member of the U.S. Senate, and of course as Vice President of the United States and as President of the United States.

She shared the joys of victory and she suffered the pains of defeat. And yet she was there by his side. She was the soldier. She was, as I say, the partner in the fullest meaning of that word.

I happen to have had the opportunity to meet her at the 1952 Republican Convention as a delegate to that convention when Mr. Nixon was chosen as the Vice Presidential running mate for Dwight Eisenhower. But that was a casual meeting.

Later on through various and sundry associations, and especially during the 1960 convention when I had the privilege of nominating Mr. Nixon to be the Presidential candidate on the Republican ticket, I became further acquainted with Pat Nixon.

She and my wife had a wonderful friendship as two spouses, and I recall that she had a marvelous sense of humor that was not often displayed in

public because of her natural reserve and her natural dignity that she exhibited in all of her public appearances. But she had a sense of humor. She could laugh at the situation. She could laugh at the circumstance. She could laugh at the difficulties.

Mr. President, Mrs. Nixon also was one of those very beautiful ladies who never let her external beauty stand in the way of the sincerity and her desire to be an authentic person. She was an authentic person.

I know some of the media sort of displayed her as "Plastic Pat" as they called her. Of course, we could expect the media to raise all sorts of caricatures as they do on people in public life, but anything further from the truth I could not think of. She was not a plastic personality. She was a very authentic personality. She had a dignity and reserve the media and others perhaps could not even understand or perceive in their quest for superficiality and for caricaturizing people in public life.

I know that hurt her. It hurt the family, and it hurt her friends to have that kind of public derision. But nevertheless, she survived that and she rose above it. I never knew her to utter a bitter word in retaliation or response. She was not that kind of person.

She was a wonderful mother when you consider the fact that the demands on Mr. Nixon when he was in the House and in the Senate, Vice President, and President was like the demands on any person in public life. The spouse, in this case the wife, took on the additional responsibilities of parenthood, in many ways playing both parents because of the absence or the competing demands for the time and energies and attention of the member of the political community. And she played that role well.

I think we all are proud of the first family as we saw them portrayed as a husband and wife and two lovely daughters. Both daughters played their role as individuals and as personalities in and of themselves.

Tricia was much like her mother. She was not the one who really gravitated to the political as did Julie. Julie became a very sensitive and a very effective and articulate person on issues and matters relating to her father and his career as well as to issues of the day.

And yet again here was the sort of contrasting interests of family as between President and Mrs. Nixon and between their daughters.

It was a diverse family. The family complemented one another in their diversity.

So, I rise today merely to pay tribute to a gallant lady who suffered through public life as well as who contributed much to public life of her husband and of the Nation.

I do not know that we can very often compare accurately the roles that

spouses play as say one against the other. I have seen those analysts who have said well this was the style of a First Lady So and So, Mrs. So and So or another First Lady and they compared them. I think each First Lady is of a distinctive personality.

I take this occasion to commend Hillary Clinton for redefining the role of the First Lady. It is another generation and as a consequence she reflects the dynamics and the thinking of this younger generation.

I do not think she has to follow the action or the style set by 200 years of precedent. I think again that each First Lady should decide what kind of role she plays, and I think Pat Nixon played her First Lady role to the hilt. I think she played it with grace, with charm, with dignity, and with effectiveness.

I think each First Lady has a very difficult role. I do not think we appreciate the difficulty of the role of the First Lady of this Nation, and I believe that the First Lady has played her role well. But today I pay special tribute to Pat Nixon who played her role well and with character and distinctiveness to any other First Lady as it should be.

I again express my deepest sympathy to former President Richard Nixon and to the family for the loss of their beloved wife and beloved mother and grandmother.

Mr. President, I yield the floor.
The PRESIDING OFFICER (Mr. AKAKA). The Senator from Montana [Mr. BURNS] is recognized.

Mr. BURNS. Mr. President, might I inquire of the order of the day.

The PRESIDING OFFICER. Yes. The regular order is to consider the appropriations bill.

Mr. BURNS. Mr. President, I ask unanimous consent that I might proceed as if in morning business for no more than 5 minutes.

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

REAL JOBS FOR AMERICA

Mr. BURNS. Mr. President, I rise today to voice my strong support for the legislation Real Jobs for America that has been introduced by my colleague from Delaware, Senator ROTH.

We do a lot of talking about providing jobs or the opportunity for jobs for Americans. And as this debate continues to go on, there are some who think the Government should provide all the jobs and we do not really give the incentives or set up the policies that would allow small business to grow and to hire people and give them a reason to hire people and to expand this economy. We know that is where real growth will come.

The plan is designed to create new, long-term jobs and encourages small businesses to hire new workers by giving a tax credit for new employees. It

encourages small business investment by increasing deductions for new business expenses.

In my home State of Montana, from which I just returned this morning, most all the jobs are created by small business. There is no doubt that Montana's small business men and women are an essential part of our economy.

Two out of every three Americans get their first job from a small business, but in Montana three out of every four get their jobs in that area. In Montana, 98 percent of our businesses are considered small businesses, and they supply 76 percent of the jobs in my State.

I noted over the weekend was the meeting of the Livestock Marketing Association representatives from every State in the Union who are in this business of marketing livestock, which is probably no doubt to most of us who come from West of the Montana River and the Mississippi River vital industry to our economies.

I see the Senator from Nebraska here, who should be very proud because I think his State was probably more represented in Montana than any other State of the Union.

But the talk there is job opportunity and marketing, providing the opportunity to expand and to grow.

Our Nation's ability to create new jobs is dependent on our Government's policies to encourage small businesses to expand and grow. The legislation I am cosponsoring today is crafted to encourage small business to invest the necessary capital to create new long-term jobs.

From the farmer to the local hardware storeowner to the employees of the bakery down the street, Montana's small businesses are providing us with products, services, and jobs that enhance our quality of life.

As America moves forward, we must keep in mind the important role small businesses play in the economy. Heaping on more mandates and more regulations is throwing a wet blanket on our economic recovery.

We need policy that encourages small businesses to do what they do best: employ our people and provide Americans with high-quality goods and services.

I ask my colleagues to support this legislation as it is introduced by Senator ROTH.

S. 579, EQUITY FOR CONGRESS ACT

Mr. BURNS. Mr. President, I rise today in support of S. 579, the Equity for Congress Act, a bill which is long overdue, and I believe worthy of our consideration.

This bill will require Congress to comply with the laws it imposes on everyone else. This is yet another step in the direction of making Congress responsible. I have cosponsored legislation in the past that prohibits us from

imposing unfunded mandates on our States and local governments. This is the next step. Actually, it's a step that never should have been necessary to take.

For Congress to pass laws on the rest of America, and yet exempt itself from complying to the same laws, is doing what the Nation accuses us of—putting ourselves above the law. And if there is an underlying current out there today, it is that Congress has an imperial attitude. The underlying belief is that we sit here in Congress and make regulations, make policy, and mandate all sorts of things, but never feel the impact ourselves.

There are a number of landmark bills that have been enacted in the past—the Civil Rights Act, the Fair Labor Standards Act, the Occupational Safety and Health Act, and, most recently, the Family and Medical Leave Act—all of which require business to adhere to more regulations, to bear the burden of more costs, and none of which apply to Congress. That is not fair, and that is not good legislating.

If we are going to ask the rest of the Nation to change their way of business and to survive under more and more regulations, the very least we can do is be accountable ourselves.

Mr. President, I ask unanimous consent to have printed in the RECORD the text of an editorial that appeared the other day in the Great Falls Tribune. Its headline reads, "Congress Should Face Regulatory Music," and I think the words that follow probably express the sentiment felt by most Montanans and, my guess would be, most Americans.

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

[From the Great Falls Tribune, June 21, 1993]

OUR VIEW: CONGRESS SHOULD FACE
REGULATORY MUSIC

When you've got a problem, form a committee and study it to death.

That's apparently the mindset that created the Joint Committee on the Organization of Congress, an august body that is looking at ways to improve the way that Congress works. It will issue its recommendations to the House and Senate leadership by September.

The main problem appears to be a suspicion that not everyone is happy with an imperial Congress, excluding itself from the laws that it passes.

Currently, Congress exempts itself from a variety of laws, including the Occupational Safety and Health Act, the Freedom of Information Act, the Fair Labor Standards Act, the National Labor Relations Act, the Equal Pay Act, the Civil Rights Act, and the Equal Employment Opportunity Act.

Congress also excludes itself from the enforcement provisions of civil rights and age discrimination laws.

There are, of course, reasons. Our Constitution set up three separate branches of government, and Congress feels it should not be subject to executive branch regulatory agencies.

Congress must comply with the goals of those laws, but has done so through its own

mechanisms which do not subject it to the same penalties or legal action private employers face. Consequently, compliance is sometimes lackluster.

Instead of changing its laws, Congress has created a sort of public circus in which its members can stand and tell each other what they ought to do—without the necessity of actually doing anything.

In the House, there is pending legislation, dubbed "The Congressional Accountability Act," that would establish a congressional office to recommend what laws Congress should adhere to.

As you might guess, that fancy-sounding name for another committee and more study has attracted 218 co-sponsors. Montana's Pat Williams is not among the sponsors; he says he believes Congress should abide by the laws it imposes on others.

In the Senate, legislation introduced by Sen. Don Nickles of Oklahoma would actually require Congress to comply with the same laws it imposes on others. Sen. Max Baucus supports the concept, but not the bill, which he feels is too partisan.

Although it's a troublesome precedent, Congress ought to pass the Nickles bill.

The reason is simply that Congress should feel the result of its own legislation directly. When Congress had to comply with its own laws, perhaps it would begin to back off on some of the excessive regulation.

Mr. BURNS. Our Government is supposed to be a government of the people, but for too long Congress has consistently placed itself above the people. We cannot govern effectively and realistically if we consistently place ourselves above the law. It is time for Congress to comply with the laws it imposes on others.

Mr. President, I am proud to add my name to the list of cosponsors and hope this piece of legislation will see serious consideration and fast action. It is only fair.

I say to my colleagues, while we consider this piece of legislation, maybe the reason we have a hard time relating to the mandates and the rules and regulations that we place on business is because we do not place ourselves under those same rules and regulations.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

A VISION FOR HEARING
RESEARCH IN THE 21ST CENTURY

Mr. HATFIELD. Mr. President, it gives me great pleasure to share with my colleagues today a vision statement I recently received from my friend and associate, Dr. Jack Vernon. The director of the Oregon Hearing Research Center and a professor of otolaryngology, Dr. Vernon is an expert in

hearing and tinnitus research. I have been known to share a story about Dr. Vernon from time to time—it was he who ventured out of the laboratory and made the transition from basic to clinical research, because he no longer wanted to work with bats, but with people. For this move, we should all be eternally grateful. He continues to lead in his field, as evidenced by his recent writings on the future of hearing research in this country. Dr. Vernon believes we need a multidisciplinary approach to solving hearing impairments in individuals. He also advocates for what I call a disease defense buildup—a commitment by the Federal Government to provide resources for medical research which will serve as the foundation on which treatments and ultimately, cures, will be secured.

I would like to take this opportunity to read Dr. Vernon's statement into the RECORD.

HEARING RESEARCH; 21ST CENTURY

Through the ages it is easily noted that attention has been given to that which mankind has considered important. A few centuries ago, alchemy was the burning issue and for the simple reason that the thought of an abundant supply of gold was the answer to many, if not most, of mankind's problems. Little did the ancients realize how close to the mark they were. Money, fiscal backing, is today the major requirement for success in whatever field of endeavor we may choose. No longer do we lament the lack of personnel capable of producing answers. No longer do we wait for the brilliant insight given to a rare few so that particular problems may be solved such as, say, the cure for AIDS or cancer. Today, even the youngest school child realizes that a cure for these blights will be found if only sufficient support for the needed research is provided. The thought that the problem may be insoluble no longer occurs.

The evolution of mankind over the past thousand years or so has been the expansion of brain power. Oh yes, man has gotten taller and stronger, can run faster, throw objects farther, hit loops better, and excel in all manner of physical prowess but the main thing is that his brain power has increased. Today, it is not a matter of whether or not a given problem will be solved, but rather, when will it be solved and, indeed, how many people will simultaneously provide the same or different solutions. In by-gone days we were lucky if there was one individual capable of providing solutions, one Edison or one Bell or one pair of Wright Brothers, whereas today, we are blessed with a plethora of brain power. And if we have such an abundance of brain power today why is it that we also have so many long-standing unsolved problems? By that I do not mean political problems like war. The solution to war is one of those problems that will have to wait for a very advanced evolution of brain power or, perhaps the one after that. No, I do not mean problems about which many different disciplines are involved or problems where there is not even agreement as to the statement of the problem. I mean simple but unanswered questions such as the legion of problems about hearing impairment.

It is not productive or realistic to get into a contest as to which is the most important sensory department—some say eyes and some say ears. The fact is, they are both not only important but essential to modern existence. Modern day life has reached such a

pitch that any impairment in either of these two major capabilities provides a serious handicap—a handicap which can no longer be tolerated. Thus, we ask why the problems which are legion in hearing have not been solved to the degree that solutions are readily and easily available for vision. Stop a moment and consider; a short time ago cataracts meant the end of vision, presbyopia meant total cessation of reading, and today both these problems not only have easy solutions but solutions which are household words. One needs no special education to be aware of the many different forms of corrective devices called glasses or contact lenses or implantable lenses which are understood by all. Sheer miracles, that's what these things are. Miracles which have been devised by man to solve major problems. Why is it then, that the problems rampant for hearing have not been solved? Why is it that one of the major attempts to solve the problem of hearing impairment, the hearing aid, is an object of derision, mockery, scorn, or contempt? The hearing aid is probably the most misunderstood prosthetic device commonly known to man. Is it that we have failed to recognize the problems of hearing impairment? Have we successfully hidden the problems so as to prevent discovery? Do we associate hearing impairment with aging, a process we wish to deny, or at least postpone? Have we so little understanding of normal hearing that we have no capability to correctly describe its malfunction? Do we fail to realize the essential nature of hearing, so that when it dysfunctions we are simply overwhelmed and do nothing? Would we rather pretend to hear than to request repetition? We fake it?

There is, to be sure, an extremely insistent drive to pretend that we did hear and, moreover, that we understood—there's the rub—understanding. Understanding is associated with mental capability and, to a person, we are fearful that we will not measure up in the eyes of fellow man when our mental capacity is being judged. The ultimate insult is to cast doubt on one's intelligence. If we do not hear or if we miss-hear, we then, of necessity, fail to understand. Because failing to understand implies faulty mental processing, we are unwilling to admit that it is our hearing which is at fault and we try to fake it, lest we be judged as mentally inadequate. If you have trouble believing these statements, wear ear plugs for one day and see what happens to your "excuse process". Be prepared for feelings of instant inferiority.

In contrast to visual impairment, hearing impairment is less conspicuous and so we continue to deny its existence or we devise clever ways to disguise it. Many hearing-impaired people excel at lip reading, some without really being aware of it. There is one other aspect of faulty hearing which may contribute to our reluctance to ask people to repeat when we have failed to hear. Hearing is a temporal affair and it is accompanied with a complex gestural and facial expression vocabulary. When we miss the hearing part of the art of the gestural expression has been wasted and to ask for a repetition of the verbal portion of this complex communication is to place things out of synchrony. People may repeat verbal stuff on command but the remainder of the complex communication is not repeated and we the speaker resent the waste of our elaborate and complex efforts to communicate.

But the question remains; why are there so many unsolved hearing problems today, when the need for good hearing is so obvious and so essential? The answer, it seems to me,

is also obvious: we have not tried to solve those problems.

There can be no doubt but that globally we have the capability and the technology with which to provide the required hearing prosthetic devices; we need only to establish the proper priorities so as to do it. Will those priorities be established merely because someone says they are needed? No, those priorities will be established only when the public at large is educated to understand the need. One day, there will be a clamor arising from the public to recognize those problems which they have helped to hide. The clamor will probably blame the school-system for the unacceptable state of affairs when, in fact, it is general public itself that is the culprit.

While the public is slowly becoming aware of the hearing crisis, it is time to begin the discovery process by which answers will result. It is time to call together different disciplines to attack the hearing problems. We need engineers, physicists, biologists, psychologists, audiologists and inventive minds to direct attention to this effort. To do this in reasonable time we need financial backing of sizable amount and an organization which is capable of directing the effort. Just as we have major military organizations and space agencies, and designated research efforts such as for primate studies, cancer, AIDS and MS etc., we must have a major hearing agency and there is only one way to do that. That is to make it possible to assemble the needed manpower under a single umbrella. A single organization under a single direction to solve hearing problems; that's what we need.

ADDRESS BY SENATOR HELMS AT 25TH ANNIVERSARY OF CAMP WILLOW RUN IN NORTH CAROLINA

Mr. FAIRCLOTH. Mr. President, this past Saturday at Littleton, in northeastern North Carolina, my colleague from North Carolina, Mr. HELMS, spoke at the 25th anniversary celebration of the creation of Camp Willow Run, a remarkable Youth Camp for Christ facility in Warren County, NC.

This camp is a blessing to hundreds of young people each year, including youngsters in institutions who come to the camp for a week of enjoyment, swimming—and spiritual and moral guidance.

Mr. President, many of the underprivileged or otherwise disadvantaged children who come to Camp Willow Run have never known what it means to be loved and made to feel special.

Camp Willow Run was the vision a quarter of a century ago of the late Rev. Erbie Mangum, pastor of Littleton Baptist Church. It is an inspiring story—how this camp came into being. Dot Helms, wife of Senator HELMS, has written a book about it.

Erbie Mangum solicited the help of a few friends in the 1960's to bring his vision into being. JESSE HELMS, then a private citizen, was one of them. I believe Senators will find the comments of my colleague interesting.

Therefore, Mr. President, I ask unanimous consent that the address by my

colleague from North Carolina, delivered on June 19, be printed in the RECORD at the conclusion of my remarks.

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

TWENTY-FIFTH ANNIVERSARY CELEBRATION, CAMP WILLOW RUN, LITTLETON, NC, JUNE 21, 1993

(Address by U.S. Senator Jesse Helms)

I have thanked the Lord on countless occasions for the interesting life He has made possible for me to enjoy, and to be associated with so many wonderful people like you.

In my line of work I have been involved in a great many projects but none—none!—has even come close to being as inspiring as this remarkable Youth Camp for Christ, Camp Willow Run, whose 25th anniversary we celebrate today.

It seems only a few yesterdays ago that Dot Helms and I met, for the first time, Erbie Mangum, that wonderful man who had a vision that a Christian camp on the banks of Lake Gaston should be built to lead young people to Jesus Christ. I will leave it to others to supply the details of how all of this came to pass. But I will say this: If ever there was a story of true faith in God, the story of Camp Willow Run is it.

There never would have been a camp had it not been for the God-fearing man and his wife who gave the land, or the completely unselfish contractor who made it his number one priority to put the camp together, or the railroad who donated the boxcars, and hauled them to Littleton, or the trucker who moved them to this beautiful site, or the countless hundreds of people who worked and sacrificed together to raise the money and acquire the support and take care of an endless series of impossible dreams that somehow, one by one, came true.

It is an emotional thing, really—a thousand little vignettes of Christian people working together—and with one very special servant of the Lord supervising and leading the effort—the incredible nuclear engineer turned Baptist preacher—Erbie Mangum who had learned earlier that the Lord expected something special from him.

So here we are, 25 years later, celebrating an anniversary—and how things have changed since 1968!

That was the year that the Soviet Union invaded Czechoslovakia. That was the year that the U.S. Navy ship *Pueblo* was seized by North Korea. That was the year that the Vietcong launched the Tet Offensive against South Vietnam.

That was the year that Apollo 8 became the first manned flight to orbit the moon. The federal debt in 1968 stood at more than 368 billion dollars. Today, 25 years later, it stands at 4 trillion, 301 billion dollars.

A new automobile cost about \$34 hundred dollars in 1968; today the same car will cost you nearly \$18 thousand.

Steak cost \$1.19 a pound at the supermarket then; today, the same steak is nearly \$5 a pound. A pound of coffee sold for 76 cents 25 years ago—today it's \$2.29.

The population of the U.S. was then just over 203 million; today it's more than 252 million.

So the world has changed a lot in 25 years. Our country has changed a lot.

But one thing has remained constant—the salvation that is offered to all who will turn to our Lord Jesus Christ.

That was the message 25 years ago. That is the promise and the premise on which Camp Willow Run was established 25 years ago.

America is beset by problems. So is the entire world. And almost all of the problems are man-made.

We are listening to too many false prophets, a cacophony of voices coming from every direction—the major news media, the politicians . . . and, sadly, from too many of our churches where the gospel is never heard any more; from pressure groups which too often never had or wanted any relationship with the God of our Fathers.

Small wonder that so many of all ages have lost their moorings. I remember the story of a graveyard in Mississippi where an old tombstone is engraved with these words:

"Pause, thou, stranger, passing by, As you are now, so once was I. As I am now, you soon will be; Prepare yourself to follow me."

A visitor to the cemetery pondered the words on that gravestone. Then he pulled a piece of chalk from his pocket and added two lines to the original four, making it read:

"Pause, thou, stranger, passing by, As you are now, so once was I. As I am now, you soon will be; Prepare yourself to follow me. To follow you, I'm not content Until I know which way you went."

We've reached the point that it's sometimes next to impossible to know for sure whom to believe—or what to believe—among the welter of voices pretending to be authorities.

Which means that there never was a better time to place our faith in the Lord, and to believe the Holy Bible.

There is understandable contempt for people who have made false promises and who play crass politics at every turn. A fellow from Arkansas wrote one of the national magazines that one particular newcomer to Washington "is such a big liar that he has to get somebody else to call his hogs for him."

In the news media you see a constant flow of news stories quoting first one self-styled intellectual, then another, casting doubt about whether there's any God, or whether the Bible is true.

Erbie Mangum saw all of this coming, and that's one of the reasons that led him to his vision for Camp Willow Run.

Erbie used to say that America itself was proof enough that not only is there a God, but that God created America as surely the most blessed country in the history of the world.

Erbie was so right. Never before in the history of mankind has there been a nation of people more blessed with abundance and freedom than the people of America.

The evidence is here—and it has been here throughout the history of America.

Search the many documents endowed by our Founding Fathers and you will see repeated references to "our Creator"—and pointed declarations that America was created, that it didn't just happen.

Why did our Founding Fathers choose those words?

I'll tell you why: Those guys, more than two centuries ago, didn't regard God as some abstract or mythical figure. They knew that there is a God in control of the universe. He was then; He still is.

There was something else they knew, even though they had to be reminded of it by Benjamin Franklin when all the delegates met in Philadelphia for the purpose of putting together the framework of America.

These weren't perfect men, and they didn't claim to be. They knew all about tyranny and bondage—that's all the world had known up to that time.

So they met 206 years ago, in the summer of 1787, to write a constitution. Few of them,

if any, had any notion about the importance of the task they had undertaken. And, being human, each tried to get an advantage over all the others. Tempers began to flare; some of the delegates were beginning to get fed up and were making plans to climb upon their horses and head back to their homes.

It was then that Benjamin Franklin, then 81 years old, realized that God had been left out of this creation of America. He pondered the question as to how a great nation could be created if the supreme Creator were left out of the proceedings.

In 1987, I was one of a relatively few Senators who went up to Philadelphia for a symbolic but official meeting of the United States Senate. We convened in the very room where these Founding Fathers had gathered two centuries ago. (There's a little plaque on the floor, about three feet from the desk assigned to me, identifying the spot where Ben Franklin rose with his immortal warning two centuries earlier.)

Remember what Dr. Franklin said? "In the beginning of the contest with Britain, when we were sensible of danger, we had daily prayers in this room for Divine Protection. Our prayers, sir, were heard and they were graciously answered. All of us who were engaged in the struggle must have observed frequent instances of a superintending Providence in our favor.

"Have we now forgotten this powerful Friend? Or do we now imagine that we no longer need His assistance?"

(Powerful words? You bet! A clear warning—of course!)

Then Dr. Franklin continued:

"I have lived, sir, a long time, and the longer I live, the more convincing proofs I see of this truth: That God governs in the affairs of man. And if a sparrow cannot fall to the ground without His notice, is it probable that an empire can rise without His aid? We have been assured, Sir, in the Sacred Writings that except the Lord build the house, they labor in vain who build it. I firmly believe this."

Then came Ben Franklin's powerful, final punch:

"I therefore beg leave to move that, henceforth, prayers imploring the assistance of Heaven, and its blessing on our deliberation, be held in this assembly every morning."

The delegates didn't wait for Ben Franklin's motion to be made. They approved it unanimously and immediately by closing the doors and the windows, falling to their knees in prayer. And, as Paul Harvey says, Now you know the rest of the story.

The disputes and the arguments and the hot tempers ended. You see, God had taken over to guide the minds and the hearts of those patriots. That was the beginning of the Miracle of America.

After the delegates had finished their work, Benjamin Franklin stepped out onto the sidewalk where a great crowd had been waiting. A lady rushed forward, tugged at Dr. Franklin's jacket, and asked:

"What do we have, Dr. Franklin—a monarchy or a republic?"

Dr. Franklin gazed into her eyes and replied:

"My dear lady, you have a republic—if you can keep it."

That challenge has thundered down upon every generation since 1787. But have we really heeded it?

I said at the outset that never have I been honored to be a part of a more inspirational project than Camp Willow Run. I mean that with all my heart. So it is fitting and proper that we gather here, on the 25th anniversary

of Erbie Mangum's dream, to contemplate the faith and sacrifice, and the hard work by so many; and most of all to praise God for having given so many the strength of purpose, and the will, to be a part of this dream.

It is such an honor to be with you. Thank you for inviting Dot and me. Thank you for being our friends—and allowing us to be yours.

God bless you. God bless Camp Willow Run. And God bless America.

WEST VIRGINIA BIRTHDAY

Mr. ROCKEFELLER. Mr. President, I rise today to speak to you in honor of the people of West Virginia. On June 20, we celebrated the 130th birthday of our great State.

West Virginians have always been characterized as courageous and independent since our separation from Virginia and becoming the first State to be born of an existing State. Historically, West Virginians have sacrificed life and limb at war in order to provide a better future for their Nation and State. These events are reflected in our State's motto, "Montani semper liberi" (Mountaineers are always free).

Each year our beautiful mountain scenery, mineral springs, rivers, and a variety of wildlife attract hundreds of thousands of tourists. The State's Allegheny and Cumberland Mountain ranges offer snow skiers the best skiing in the Mid-Atlantic. White-water rafters, kayakers, and canoeists enjoy such rivers as the New and Gauley which provide them with some of the best water rapids on Earth. Our State parks and forests attract hikers and backpackers with some of the most extraordinary sites in the country. The feelings that our tourists experience have led many to make regular visits to our State as well as many to relocate permanently. Credit for this experience cannot go to our attractions alone, but to native West Virginians for their hospitality and generosity which has made a positive and lasting impression on all of our guests.

So, on this 130th birthday of our State, Mr. President, I would like to congratulate the citizens of West Virginia. Furthermore, I would ask you to join me in recognizing this important day for my fellow West Virginians who I am so very proud to represent.

TRIBUTE TO PAT NIXON

Mr. COVERDELL. Mr. President, on behalf of Georgians throughout our State, I want to express our deepest sympathy to former President Nixon and his family.

Pat Nixon was the embodiment of grace, dedication, and loyalty, to her family and her country. We can all be grateful for her service in the unique and demanding role of First Lady through a very difficult time in our history.

TRIBUTE TO PAT NIXON

Mr. HATCH. Mr. President, I rise to reflect on the tragic loss this Nation has suffered with the passing away of Pat Nixon early this morning.

I know that all the Members of this body join me in expressing profound condolences and sympathies to former President Nixon and to his family. I also know that even as we mourn this loss, we all celebrate the life that she led.

I never had the pleasure of meeting Mrs. Nixon, but I count myself among the tens of millions of Americans who admired both what she did for this country and what she stood for during Mr. Nixon's national campaigns and his terms as Vice President and President. She was the preeminent American goodwill ambassador to the world, particularly in her trips to the poorer countries and regions of the world. In our own country, she championed volunteerism and programs that touched the lives of less fortunate Americans.

Those of us who entered national political life only after the Nixon Presidency remember her as the personification of grace, dignity, strength, and kindness. She truly set the standard for America's first ladies. No one yet has exceeded her standard.

Mr. President, I ask unanimous consent that an excerpt from "In the Arena" by Richard Nixon be included in the RECORD as if read. In an essay entitled "Pat," former President Nixon reflected on what Pat Nixon meant to him and what she meant to our country. It is a profoundly moving testament to the love between the two of them and the love that she showed for all the citizens of our Nation, rich or poor, black or white, from privileged or disadvantaged backgrounds.

In closing, I would like to quote one short passage that I believe captures the spirit of the essay. The former President wrote:

The word "character" has several meanings. When someone is an oddball, we call him a character. When someone applies for a job, we give him a character reference. Pat has character in a more profound sense. When an athlete comes back to win after suffering a defeat, we say he has character. That is Pat's kind. She is a strong person who is at her best when the going gets rough. Millions who have followed her career during the forty-three years we have been in the political arena know that and appreciate it, and for that reason will never forget her.

Mr. President, former President Nixon was right. Those who have observed, or participated in, our national political life during the second half of this century can never forget Pat Nixon, the values she personified, the example she gave us.

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

PAT

(By Richard Nixon)

Since we left the White House in 1974, my First Lady, Pat, has never made a speech,

accepted an award, or been interviewed by the press. We entertain close friends and family at home but turn down the many invitations we receive to highly publicized New York events. But despite being out of public view for fifteen years, she has been on GOOD HOUSEKEEPING's ten most admired women list every year. Some wonder how this could happen in our media-drenched, out-of-sight-out-of-mind society. I know why. Most people, even if they are basically happy, do not have an easy life. Some have had disappointments, others have suffered defeats. Many have experienced tragedy. Pat relates to these people, and they to her.

The word "character" has several meanings. When someone is an oddball, we call him a character. When someone applies for a job, we give him a character reference. Pat has character in a more profound sense. When an athlete comes back to win after suffering a defeat, we say he has character. That is Pat's kind. She is a strong person who is at her best when the going gets rough. Millions who have followed her career during the forty-three years we have been in the political arena know that and appreciate it, and for that reason will never forget her.

Her life is a classic example of triumph over adversity. Her mother died of cancer when Pat was thirteen. She helped care for her father for two years until he died of silicosis, popularly known as miner's disease, when she was eighteen. To earn the money for college, she worked as a bank teller, an assistant to a department store buyer, a bit player in the movies, a research assistant for a USC professor, and a hospital X-ray technician in New York City. During most of this time she helped keep house for her two older brothers. Despite her backbreaking commitments, she graduated with honors from USC in 1937.

After we were married, she continued to work as a high school teacher to supplement my meager income from my law practice during the Depression. While I was serving overseas, she was a government price analyst in San Francisco.

Our first fourteen years in Washington, when I served in the House, the Senate, and as Vice President, were an exciting and happy time. But it was not always smooth sailing. After the Hiss case, I became a major national figure but also a highly controversial one. I refused to let the critics bother me, but on occasion they got to her. She has always been a voracious reader. Hardly a day went by when she did not see a vicious cartoon, a highly negative column, or some blatantly biased new report. But she never complained to me. She has enormous respect and affection for Whittaker Chambers and his wife Esther. She knew we were on the right side. This certainly strengthened her, but it did not make the cruel barbs hurt any less.

During my trips abroad as Vice President and President, she broke new ground, refusing to follow the meaningless schedules that were usually set up for dignitaries' wives in those days. Unless our host absolutely insisted, she skipped the shopping and sight-seeing. Instead, she visited schools, hospitals, orphans' homes, old people's homes, a leper colony in Panama, refugee camps in Vietnam. While I was closeted in meetings, she was out making pro-American news. Eventually the press began to follow her rather than me.

Pat is an intensely private person who still proved to be a superb campaigner, because she likes people and they like her. She was by my side constantly in two campaigns for Congress, one for the Senate, one for gov-

ernor, two for Vice President, and three for President, not to mention our grueling, thankless swings in off-year elections. She never set a foot wrong or gave the media a club to beat me over the head with. After a campaign appearance in Kansas in 1952, Senator Frank Carlson expressed his unbounded admiration for her campaigning ability. He told me, "Dick, you're controversial, but everybody likes Pat." * * *

Pat's political instincts are invariably accurate. She urged me not to run for governor of California. She was right. She has an uncanny ability to assess people. Her personnel evaluations were usually better than mine. On the few occasions when I did not follow her recommendations, I wished I had. She had strong views on issues but always expressed them privately rather than publicly.

* * * * *

The resignation was harder on her than me, because she thought it was a mistake to resign. Like Julie and Tricia, she thought we should fight through to the end. I still marvel at how she was able to go forty-eight hours without sleep while she supervised the packing of all our personal belongings for the move to San Clemente. My near-fatal illness in California was also a greater burden on her. I was physically, mentally, and emotionally drained, so in addition to keeping up her own spirits, she had to sustain mine. Our quiet dinners alone in the evening were often the only respite I had from the trauma of those dark days.

My evaluation of Pat is best expressed in this diary note I made in California shortly before the resignation:

"I remember that Tricia said as we came back from the beach that her mother was really a wonderful woman. And I said, yes, she has been through a lot through the twenty-five years we have been in and out of politics. Both at home and abroad, she has always conducted herself with masterful poise and dignity. But God, how she could have gone through what she does, I simply don't know."

After we left the White House, it did not seem possible that she could bear any more. I followed my usual practice of not reading the criticism being heaped on me. But she insisted on keeping informed. She read almost all of the articles and many of the books. One day a well-meaning member of our staff sent her a particularly vicious book written by two *Washington Post* reporters. It was the last thing she read before tragedy struck.

On the morning of July 8, 1976, I went into the kitchen at Casa Pacifica to get some coffee. I noticed that Pat seemed to be unsteady and that the cup and saucer were shaking in her hand. The left side of her mouth was drooping. I hoped it might have been caused by an insect sting, but I knew better. It was a stroke. As we rode together in the ambulance to the hospital, her left side became paralyzed. Her speech was slurred and her mouth contorted.

Hundreds of bouquets of flowers and thousands of get-well messages poured in from all over the world. But only she could handle this crisis. No one else could help her. Before she left the hospital, her speech difficulty had disappeared and her mouth was back to normal. But her left arm hung limply by her side.

Our home in San Clemente had a beautiful Spanish inner patio. She had an exercise wheel installed on one of the walls enclosing it. Day after day as I left the house to go over to the office, I saw her standing there, turning the wheel around and around again. At times she was discouraged because there

seemed to be no visible improvement. But she never gave up. Before the year was out, her recovery was complete. Doctors did not do it for her. Her family did not do it for her. Her friends did not do it for her. She did it by herself, which is characteristic of her whole life. My critics in the media called her "Plastic Pat." What they did not know was that her plastic was tougher than the finest steel.

The Bible is a wellspring of truths, but it contains one falsehood—that women are the weaker sex. Statistics tell us that women live longer than men. Experience tells me that women are stronger, too, physically, mentally, and emotionally. Whether it was confronting the Fund crisis, facing a killer mob in Caracas, standing up to anti-war demonstrators, or going through the ordeal of resignation, Pat was always stronger. Without her, I could not have done what I did.

* * * * *

What is her legacy? Pat will be remembered as one of our greatest First Ladies for four things.

She was a superb goodwill ambassador. She was our most widely traveled First Lady, having campaigned in all fifty states as part of the Pat and Dick team and visited seventy-five nations around the globe. By the time she came to the White House, Pat had already traveled with me to fifty-three countries, including the remotest corners of Asia, Africa, and Latin America. She deeply believed in the importance of personal diplomacy. She accompanied me on the history-making first visits of a President to the Soviet Union and China. She traveled alone to Peru in 1970 following a devastating earthquake to bring relief supplies and galvanize volunteer efforts. In 1972, she attended the inauguration of the President of Liberia, becoming the first President's wife to officially represent the United States abroad.

She will be remembered for championing the cause of volunteerism—especially the Right to Read program—because of her belief that the need for personal involvement in today's complex, impersonal world is more vital than ever. She visited volunteer projects throughout America and honored hundreds of outstanding volunteers at the White House.

Before we left New York in the 1960s, the elevator operator in our apartment building told us he had never visited a national park because he couldn't afford the travel costs. She remembered that when we went to the White House, and through her leadership, the "Parks to the People" program was instituted to establish small parks near major cities that poor people could afford to visit.

Finally, Pat will be remembered for her efforts to bring meaning to these words: "The White House belongs to the American people." She believed that the White House should be lit at night like the Jefferson, Lincoln, and Washington monuments, and at Thanksgiving 1970 the project was completed. She surprised me by having the lights turned on for the first time one night when we arrived at the White House by helicopter. She personally raised millions of dollars to refurbish the interior of the mansion, adding an unprecedented five hundred antiques and works of art to the collection. All the money was spent on the public rooms, none on the private quarters. She expanded access for the public by opening the house in the afternoons for the handicapped, establishing special tours for the blind, instituting candlelight tours at Christmastime and tours of the gardens in springtime, and opening the

family quarters on the second floor to guests who attended our many Evenings at the White House.

Any one of these accomplishments would be enough for one person. But I think she would prefer to be remembered for another reason. It was hard for young people to grow up and lead useful lives during the spiritual turmoil of the 1960s and 1970s, and particularly so for children of celebrities who are always in the spotlight. That generation is still struggling against the effects of rampant drug abuse and moral aimlessness. With their father subject to massive political and personal attack, it is a miracle that Tricia and Julie came through as they did. They have survived it all with the strength and serenity of their mother.

They couldn't have done it without her. In a tribute to former Prime Minister Asquith, Winston Churchill observed, "His children are his best memorial." I think that is the way Pat would like to be remembered. Her children are her best memorial.

A VALIANT WARRIOR FALLS

Mr. BYRD. Mr. President, I felt a sense of loss this morning on learning of the passing of a former First Lady, Mrs. Richard M. Nixon—a lovely woman known universally around the world more familiarly as "Pat Nixon."

Though Mrs. Nixon would not be categorized as "an activist First Lady" in the vein of, for example, Eleanor Roosevelt, Pat Nixon touched the years of the Nixon administration with a grace and beauty all her own, and left her mark on those years as surely as other First Ladies did on their own periods of White House tenure.

Never a woman to pursue the limelight or the photographers' flashbulbs in her own behalf, Mrs. Nixon won the admiration and appreciation of millions of Americans by standing by her husband's side and traveling as his helpmate on some of the most dramatic and effective diplomatic missions in the long history of the now thawed cold war with the old Soviet Union.

Indeed, President Richard Nixon's career—certainly, one of the most involving and salient in modern times—would be unimaginable without the quiet presence that Mrs. Nixon lent to her husband's appearances both here and abroad.

Unfortunately, from the time of Martha Washington onward, the press, evolving media, and Washington gossips have been notably unkind to many First Ladies. Without any evidence, Washington gossip branded Mary Lincoln as a Confederate spy and traitor to the Union, while the Methodist temperance of Mrs. Rutherford B. Hayes earned her the not-too-kind nickname "Lemonade Lucy." Not to be outdone in cutting and defaming remarks, behind her back some detractors viciously derided Eleanor Roosevelt noting Mrs. Roosevelt's self-admitted plainness, but ignoring the brilliance of her mind, the uncomplaining assistance that she lent to her lame husband, or the countless services and charities to which she gave her innumerable tal-

ents and energies without recompense during her years as First Lady.

During Mrs. Nixon's years in the White House, her detractors branded her natural reserve and shyness as stiffness and her warm, pleasant smile as a mask of pretense, aiming at her the heartless epithet, "Plastic Pat."

But, indeed, as perhaps few First Ladies ever had, Pat Nixon demonstrated courage, strength, and love as her beloved husband's administration fell.

Mr. President, I know that I speak for all of our colleagues—and certainly, for those still here who knew the Nixons as friends—in extending to President Nixon and his family my deepest condolences, and my wife Erma joins me in expressing our admiration for the beautiful wife, mother, and former First Lady who has now passed into a better life to receive undoubted rewards for her selfless love, loyalty, and example under such pressure and during such trying times.

A VERY DISTINGUISHED PERSON

Mr. WARNER. Mr. President, I had the privilege of serving in the White House on the staff in the spring of 1960, at which time I had the opportunity to meet the then Vice President, Richard Nixon, and his lovely wife and get to know them quite well. Subsequently, I traveled with both of them extensively during the course of the 1960 campaign.

I will simply say, Mr. President, having known this distinguished woman for many years, she represented to me and will always represent a very distinguished person not only in her public life but, indeed, as an ideal wife and mother. I remember many, many times visiting with the then Vice President, his wife and his children. It leaves a lasting impression on me.

I express my deepest sympathy to the former President and the members of his family for the loss of this gentle, caring, and supportive woman. Pat Nixon always stood by her husband, her children, and all those close to her. She will not be forgotten.

STEVE GERSTEL'S RETIREMENT

Mr. MITCHELL. Mr. President, I rise today to pay tribute to a man who has served the Congress and the American people for more than 33 years. Last Friday, my colleagues and I said goodbye to a friend when Steve Gerstel, a veteran reporter for United Press International, retired.

When Gerstel, as he was known, began covering the Senate as a UPI southern regional reporter in 1959, Dwight D. Eisenhower was President and Lyndon Johnson was the majority leader. Family members of many current political leaders were Members of the Senate: Prescott Bush, Albert Gore, Sr., Tom Dodd, and John F. Kennedy. Only two current Senators have been in the Senate longer than Gerstel: Senator STROM THURMOND and our

present President pro tempore, ROBERT C. BYRD, who was a first-year Senator.

Our Nation witnessed many changes over those years: the civil rights movement, the cold war, the Vietnam and Persian Gulf wars, Watergate, and the Iran-Contra hearings, to name a few. Through his clear prose and fair reporting, Gerstel brought these significant debates—and maybe some not so significant debates—to the American people.

During my 13 years in this institution and in particular during my more than 4 years as majority leader, I have often found his reporting and comments intuitive and enlightening. I know that he served as a mentor to many reporters covering the Congress and helped more than one rookie press secretary learn the ropes in the Capitol. On a more personal note, he has never let me forget that the life of a Boston Red Sox fan is never easy.

As he knows all too well, I cannot predict when a vote will occur, how many amendments will be offered to any certain bill, or when the Senate will complete action on any bill. But I can predict that Steve Gerstel will be sorely missed in the U.S. Senate.

STEVE GERSTEL

Mr. DOLE. Mr. President, there have been some real fixtures around the Capitol during my time here. For more than three decades Steve Gerstel has been one of them. In fact, when the statue was recently moved from the top of the Capitol dome, many folks thought it was Steve himself. That is the kind of presence he has had around this place since 1959. In fact, Steve's first interview in the Senate was with Senator STROM THURMOND, who, along with Senator ROBERT BYRD, is the only member with seniority in the Senate over Steve.

As UPI's Capitol Hill correspondent, he has seen it all: National conventions, great Senate debates, Presidential campaigns, history-making stories from the Vietnam war to Watergate, to Desert Storm and Travelgate.

For a third of a century, Steve Gerstel chronicled history in the Senate and millions of Americans have seen that history through Steve's eyes including readers of the Russell Daily News in my hometown of Russell, KS. It takes a lot of dedication and a lot of talent to stay on the job as long as Steve has. He had plenty of both. We will miss Steve and we all wish him well.

STEVE GERSTEL LIVED THE CLASSIC AMERICAN DREAM

Mr. BYRD. Mr. President, Steve Gerstel lived the American Dream—the classic American Dream.

Following Hitler's invasion of Czechoslovakia in 1939, Steve's family came to this country, bringing the barely 9-year-old Steve with them.

Having literally lived history, Steve pursued the opportunity of recording history.

In due season, the once-immigrant little boy found a career in journalism and became a witness to some of the most dramatic events in modern American history, not the least of which has been to witness, and report on, the workings of the United States Senate.

Last Friday, the Senate suffered a great loss. With barely any warning and little fanfare, Steve Gerstel retired from reporting on the Senate for United Press International.

Steve was an institution in the Senate which he had covered for over 33 years. He began his career here in the fall of 1959, which happened to also be my first year in the Senate. I guess one could say that Steve Gerstel and I have seen a lot of change come to this institution, and I guess we would also have to say that we both did our best to adjust to the ever faster pace. When I think back on those earlier days I recall many interviews with Steve Gerstel. In fact, he was one of the very few reporters around here today who would remember my regular Saturday morning meetings with the press when I was majority leader from 1977 through 1980.

You see how times have changed. Steve had the wonderful opportunity to report on some of the better debates of our time. I am not sure we can call them great debates, but there were some historic debates: The debates on the Panama Canal Treaty, for example; the debates on the Civil Rights Act of 1964. And he did his job well.

Steve Gerstel brought a fine quality to his work. He was a hard worker. He sought to deliver the news and not to interpret it. I wish Steve all the best in his retirement and I hope that he will remember fondly his days in the Senate.

Not gold, but only men can make a nation great and strong;

Men who for truth and honor's sake stand fast and labor long;

Real men who work while others sleep,

Who dare while others fly.

They build a nation's pillars deep

And lift them to the sky.

Steve Gerstel is such a man.

Mr. President, I yield the floor.

TRIBUTE TO JOHN CONNALLY

Mr. THURMOND. Mr. President, I rise today to pay tribute to my good friend, former Texas Gov. John Connally. John Connally was a man of character, courage, and capacity, and a true patriot. He took great pride in serving his State and Nation, and the service he rendered was outstanding. He was one of the finest men I have known, and I shall miss him.

Born in Floresville, TX, in 1917, John grew up in a large family of modest means. He earned both a bachelor's degree and a law degree from the University of Texas, finishing in 1941. It was during his years in college and law

school that his abiding interest in politics began to find an outlet. With his friend Bob Strauss as campaign manager, he ran successfully for student body president at the university.

He also worked for the congressional campaign of Lyndon Johnson, beginning an association which would continue for many years. His campaign work for Johnson led to a lifelong friendship between the two men, and he remained a valued ally and adviser of Johnson's throughout his career.

Governor Connally had a great deal of common sense and a fine ability to gauge the political landscape. This was invaluable not only to him, but to his friends and colleagues. In addition to serving three terms as Governor of Texas, he was Secretary of the Navy under President Kennedy and Secretary of the Treasury under President Nixon.

Although he experienced a number of reverses in his life, John Connally was always a fighter, and he overcame the odds. He recovered from wounds sustained during the assassination of President Kennedy to become a popular and successful Governor. Later in life, after being financially ruined by the savings and loan debacle, he auctioned off most of his assets and worked hard to repay his creditors and restore his good name. He never gave up, and he brought tremendous vigor to any undertaking. Through good times and bad, his lovely wife, Nellie, was by his side, providing invaluable support and assistance.

Mr. President, Governor Connally's career was distinguished by integrity, determination, and vigor. His capacity for friendship was boundless, and party lines could not contain him. In true Texas style, he stuck to his guns if he believed he was right; and he always seemed a bit larger than life. The State of Texas and our Nation have lost a good friend.

I would like to take this opportunity to extend my deepest sympathy to John's lovely wife, Nellie, his sons, John and Mark; and his daughter, Sharon, in this time of sorrow.

SUPPLEMENTAL APPROPRIATIONS ACT OF 1993

The PRESIDING OFFICER. The Senate will now resume consideration of H.R. 2118, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2118) making supplemental appropriations for the fiscal year ending September 30, 1993, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

DeConcini amendment No. 484, to make producers of citrus crops eligible for certain Commodity Credit Corporation funds.

AMENDMENT NO. 484

The PRESIDING OFFICER. There will now be 30 minutes remaining for

debate on the DeConcini amendment numbered 484, with the time to be equally divided and controlled in the usual form.

Who yields time?

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be charged equally to both sides.

Mr. DECONCINI. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. HATFIELD. Mr. President, I will not suggest the absence of a quorum.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD addressed the Chair.

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

Mr. BYRD. Mr. President, I yield myself such time as I may consume.

Mr. President, let me remind Senators where we stand today on this bill. We are acting under a unanimous-consent agreement entered on last Thursday that provides that 32 amendments will be in order, if offered, and we will vote on final passage no later than 7 p.m. today. No time agreements have been agreed to on amendments, although we are willing to entertain such requests if those Senators with amendments wish to discuss such a limitation.

The Senate will also recess from 12:30 p.m. to 2:15 p.m. today for the usual party conferences.

I urge Senators that have reserved the right to offer an amendment or amendments to come to the floor and offer them, if they intend to offer them during the day, as time will, of course, be short later in the day.

If Senators have reserved amendments that they do not intend to offer, the managers would, of course, appreciate it if they would let us know so that the leaders and the managers may be aware of the floor situation and the time required to complete action on the amendments.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DECONCINI addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. DECONCINI. Mr. President, How much time is remaining on the pending amendment?

The PRESIDING OFFICER. The Senator has approximately 9 minutes remaining.

Mr. DECONCINI. Mr. President, a point of inquiry. The amendment before us is the amendment of the Senator from Arizona and it is not amendable in any form; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. DECONCINI. And it would take unanimous consent to modify that amendment?

The PRESIDING OFFICER. The Senator is correct.

AMENDMENT NO. 484, AS MODIFIED

Mr. DECONCINI. Mr. President, I send a modification of the pending DeConcini amendment to the desk and ask, by unanimous consent, the amendment be so modified.

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

The amendment, with its modification, is as follows:

On page 2, line 19, following the words "feed grains," insert "citrus."

On page 3, line 10, after the "102-368" add: "Provided further, That a producer who received a disaster payment, adjusted for quality losses, on the 1990, 1991, or 1992 crops, shall be ineligible to receive an additional disaster payment for the crop year for which the previous disaster payment was received, unless additional pro rata disaster payments are made."

Mr. DECONCINI. Mr. President, this amendment has been changed slightly with the concurrence of the ranking Republican member, Senator COCHRAN, and the chairman of the Appropriations Subcommittee on Agriculture, Senator BUMPERS. I want to thank both Senators for agreeing to this amendment and for working with me on this modification. The modification clarifies that no producer will be allowed to double-dip by adding the provisions that no producer can receive an additional disaster payment for a crop year in which a previous disaster payment had been made.

Of course, that was never the intent of my original amendment. The original amendment only added the word "citrus" to the existing crops already in the bill.

So from my standpoint, I obviously have no problem with this precautionary addition.

My amendment adds citrus to the list of crops named in the supplemental appropriations bill, made eligible for disaster payments based on quality losses. Earlier this year, Secretary Espy used his discretion to provide such assistance to certain growers. The supplemental appropriations bill makes other crops eligible for such assistance based on quality losses.

My amendment simply ensures that if some growers are made eligible for quality losses, other growers be given the same consideration. I want to thank Senator BUMPERS and Senator COCHRAN for accepting my amendment and for working with me on its modification.

I ask unanimous consent that Senators FEINSTEIN and BOXER, of California, be added as cosponsors.

Mr. President, I ask unanimous consent that the yeas and nays so ordered be vitiated at this time.

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

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I want to thank the distinguished Senator from Arizona for agreeing to modify his amendment. The modification deals with the problem of the possibility of a producer receiving double disaster payments for quality losses, in effect; a second payment for quality losses, after receiving a previous disaster payment, adjusted for quality losses, under current disaster assistance law.

With the modification, there will be no objection to the agreement by the Senate to this amendment.

Mr. President, on April 9 of this year, the Secretary of Agriculture announced that disaster assistance would be made available to producers of corn crops whose harvest was of low-quality due to natural disasters in 1992.

The 1990 farm bill gives the Secretary such discretionary authority to provide additional disaster payments for program crop losses associated with quality, if the producers qualify for quantity-related losses.

Nonprogram crops, on the other hand, are eligible for disaster payments associated with quality losses under that statute.

The Secretary's decision to single out 1992 corn quality losses has raised the issue of providing equitable treatment to other program crops suffering low-quality harvests due to natural disasters.

It is for this reason that the committee has recommended that all program crops be eligible for disaster assistance for losses of production due to the deterioration of quality. Those program crops are listed in the Senate amendment.

The amendment offered by Senator DECONCINI seeks to add a nonprogram crop to this list. As I indicated, producers of nonprogram crops are already eligible for payments on harvested crops which, because of quality problems, cannot be marketed through normal commercial channels.

The effect of this amendment then could be to allow citrus producers to get additional quality payments for harvested crops on which a previous disaster payment, adjusted for quality losses, has been received.

It would also provide disaster assistance for citrus for quality losses suffered in years subsequent to a disaster. This would put the Department in the position of determining whether the loss in the future year was due to damage caused by the earlier disaster or other intervening factors.

Mr. President, I am pleased that the Senator from Arizona was agreed to a modification of his amendment, and I will accept it on that basis. Any further concerns on the impact of this amendment can be addressed when we take this bill to conference with the House.

Mrs. FEINSTEIN. Mr. President, I rise in support of the DeConcini

amendment to add citrus to the list of crops named in the bill which will be made eligible for agricultural disaster payments for quality losses caused by a natural disaster.

The Senate bill makes quality payments available for the listed program and nonprogram crops from the unexpended funds for 1990, 1991, and 1992 disasters.

Citrus growers should be included in this list.

California and Arizona citrus growers suffered devastating losses in years subsequent to the December 1990 freeze due to lower crop quality and diminished yield. They deserve equitable in the disaster program administered by the Agriculture Department.

Some farmers received assistance after the total loss of their crops. However, many others have never been compensated for losses due to poor quality fruit.

Crop disaster payments were made to citrus farmers in California for their 1990 crop loss based on a formula of 50 cents on the dollar for qualifying losses.

Significant quality losses occurred in the San Joaquin Valley, Coachella Valley, the Imperial Valley, the Riverside area, Orange County, and Ventura County in California and in the Yuma area of Arizona.

The problems facing citrus growers are the same as the problems faced by growers for whom quality-adjusted crop payments have been announced by the Department of Agriculture.

Citrus growers are seeking the same relief as corn growers in Michigan and other Midwestern States and as potato growers in Maine whose return on the crops they harvested and solve over the last 3 years has been reduced due to poor crop quality.

It would be unfair not to include citrus growers in the bill and to treat them differently than program crops and soybeans.

I urge my colleagues to support this amendment.

Mr. DECONCINI. Mr. President, I yield back the remainder of my time.

Mr. BYRD. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment (No. 484), as modified, was agreed to.

Mr. DECONCINI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Iowa [Mr. GRASSLEY] is recognized to offer an amendment.

Mr. GRASSLEY. Mr. President, I am going to offer an amendment shortly. My amendment deals with the issue of

defense expenditures. My amendment would rescind \$649,111,986 in Air Force M account money. The reason for this exact amount of money, Mr. President, may sound unusual, but it is directly related to an amount of money that was used by the Air Force to plug a gaping hole in the Air Force accounting records.

Senator ROTH and I plan to do this together. To be perfectly honest with the chairman of the committee, Senator BYRD, I am sure he is going to look at this amendment as not a way to necessarily solve this problem because this \$649 million represents a bigger problem, and it would be an accounting problem.

I think it deals with the fact that the taxpayers of this country have a right to know how their money was used. They have a right to a full accounting of all public money, and if a full accounting cannot be rendered, then I think something has to be done. These are issues that I have talked about on the floor of the Senate on several occasions.

Before I really get into what this issue is, I think as a Republican, I would like to just give a little background of my involvement with defense issues because I am not on the Armed Services Committee, I am not on the Appropriations Committee and especially that I am not on the subcommittee that deals with defense appropriations. But I am on the Budget Committee and then I was chairman one time of a general oversight subcommittee of the Judiciary Committee where, as chairman of that subcommittee, I was able to do a lot of digging into how things were handled within the Defense Department.

So early on in my Senate career, this led me to a great deal of involvement in defense matters, from the Budget Committee and from the subcommittee that I chaired on the Judiciary Committee. Frankly, in those 12 years of Reagan-Bush, I think I took a lot more heat from Republicans—and hardly any heat from Democrats—in the Senate over my involvement in this matter. I had a chance, for instance, to work with Senator PRYOR on independent testing and on the ASPJ—it was an electronic jammer situation that we were working on. I had an opportunity to work with Senator PRYOR on freezing the DOD budget. I had a chance to work with Congressman BERMAN, a Democrat from California, on the false claims bill which, frankly, has brought in, in just the last 3 years, over a half billion dollars of taxpayers' money that was fraudulently used. It was brought back to the Treasury, not just on defense but in some health areas. In the health area, \$110 million just in December when a case was settled. I had a chance to work with Senator LEVIN, of Michigan, on whistleblower legisla-

I have had a chance to work with Senator METZENBAUM on some legislation to encourage whistle blowers with an award where they would bring forth information. I have had a chance to work with Senator SASSER on some general budget legislation in the defense area to cut expenditures. I had a chance to work with Senator JOHNSTON on SDI funding. I had a chance to work with Senator Chiles, the now Governor of Florida, when he was in the Senate on MX funding. I had a chance to work with Senator BOXER more when she was a Member of the House of Representatives, on work measurement, and just within the last week had a chance to work with Senator LAUTENBERG on an amendment he had adopted on this very bill dealing with defense expenditure.

I could go on and on, Mr. President, on defense. The only reason I bring this background up is we have a new President now, a Democratic President, and I hope Members of the other side of the aisle for so long interested in the proper use of taxpayers' money on defense expenditures—very interested in good defense policy, maybe when they disagreed with President Reagan or President Bush, but they fought for those things, and I think I helped them, and also to make sure that the taxpayers' money was not fraudulently expended and that whistle blowers were protected.

I want to say now after 5 months we have had a Democrat President in charge of defense. A lot of the problems that are carried over into this administration started in the previous administration that we still have to clear up, and the amendment I am dealing with today is one such problem. This did not come under the watch of President Clinton. It came under the watch of other presidents.

So the point is when we had a Republican President it was very unpopular for a Republican to take on a Republican President. I was not afraid to do it. I hope now that those people of the majority party who have always fought so hard with me to have a strong, solid defense but one where the money was properly spent and legally spent will fight just as hard when there is a Democrat President as when there was a Republican President to make sure those good policies are put in place and that the money is legally spent and wisely spent and that we have a good, sound defense policy as a result of our watchdogging the Defense Department now under a Democrat President, the same way that we watchdogged a Defense Department when we had a Republican President. The same old problems persist.

Much work needs to be done. The new defense reform team is forming up. The team needs players who are willing to come to practice every day and to play their hearts out. The Senator from

Iowa will be there, as he always has been, but the Senator from Iowa cannot do it by himself any more than I could do it by myself when we had a Republican President and members of the Democratic Party in this body wanted to take on a Republican President in this area.

The Senator from Iowa, I guess simply put, Mr. President, needs the help, as I have always had it, from people on the other side of the aisle.

Mr. President, more to the issue of this amendment now, I have addressed the \$649.1 million Air Force accounting error on the floor on two other occasions, March 31 and April 2. The Air Force discovered a \$649 million discrepancy between the balances in its departmental books and the balances in its books at the base level. To correct the problem, the Air Force simply went to the magic vault also known as the M accounts and drew out \$649.1 million to plug the gap and presto, Mr. President, the books were balanced.

Now, the Air Force is unable to balance the books because the Air Force is not doing routine bookkeeping. Instead of recording obligations and expenditures in a ledger as they occur, the Air Force has been using the mathematical equations to estimate the missing amounts. For the average person this would be like writing checks but never filling out the stub and not knowing how much money is left over or which bills have been paid and then devising equations and a computer program to fill in the blanks.

Mr. President, if bookkeeping is not done each day, month after month, over decades, pretty soon billions of tax dollars are unaccounted for, and that is exactly where the U.S. Air Force finances are today. As a taxpayer, that bothers me. As a Senator, that bothers me even more because we are the trustee of the people's money. If people come to me and say, "How is this \$649 million spent?" I ought to be able to tell them. But do you know what? The Inspector General of the Department of Defense and the General Accounting Office cannot answer that question. They state conclusively that there is no documentary evidence to support the use of the \$649.1 million. That constitutes a violation of section 1501 of title 31 of the United States Code. Without the documentary evidence, we do not know what happened to the money. There is no audit trail to follow.

Mr. President, the chief Government audit agencies are telling us they do not know how the money was used, and I think they are telling us that they will never find out.

I do not believe that this is an isolated case. It is not an isolated case. There was a similar incident several years ago involving \$2.4 billion. I want to read just one paragraph summary of that incident from a general accounting report AFMD 91-55:

During our 1988 audit, we found that adjustments totaling billions of dollars were made to account balances without supporting documentation. Air Force officials could not provide explanations for many of the adjustments. A primary example cited in our report was the Space Division's trial balance for March 31, 1988, in which the general expenses control account balance differed from its subsidiary records by \$2.4 billion. In order to get the account balances to agree, the trial balance amount from the Other Operating Gains and Losses account generated by the computerized accounting system was arbitrarily decreased by \$2.4 billion. After our February 1990 report was issued, the Space Division attempted to research the adjustment but with no audit trail or documentation researchers could only explain \$81 million of the adjustment.

They could only explain \$81 million of \$2.4 billion that was not accounted for.

Those of us in Congress who exercise the power of the purse have a responsibility to the citizens of this country to account for every penny spent. The taxpayers deserve nothing less than that.

We are failing to carry out those responsibilities. We have been warned—and one warning came on April 8, 1993. Mr. EARL HUTTO, a subcommittee chairman, on the House Armed Services Committee, sent a six-page letter to Secretary Aspin, sounding the alarm on the breakdown of DOD's financial systems. Mr. HUTTO said:

The \$649 million transaction—

This is the same transaction that my amendment deals with—

is just "another blatant example of inadequate control over financial management operations. * * * DOD's financial systems are in disarray. * * * They are approaching critical mass."

Then on April 23, 1993, the chairman of the Governmental Affairs Committee, the distinguished Senator from Ohio [Mr. GLENN] said this about DOD breakdown of financial management. Let me say, I compliment Senator GLENN because I think these are strong words.

In a letter to Secretary Aspin, the Senator from Ohio warned:

The Air Force's system of internal controls was not adequate to safeguard all assets or to ensure the reliability and accuracy of account balances and financial reports.

Let me repeat again what I said earlier because there are other Senators on the floor who maybe would not have been following this. I want to say that since I am a Republican, and we have a Democratic President, this is not happening on President Clinton's watch in the sense of what went wrong. These are things that happened in previous administrations—and Republican administrations, let me say. I want to get it corrected. What I have said, though, that might be considered partisan but it was not meant to be partisan, is that I have had a close working relationship with a lot of people on the other side of the aisle on ferreting out waste, fraud,

mismanagement, passing legislation to that extent when we had Republican administrations. And I hope as a minority member now outside of Government because we do not have a Republican President that those very same Democrats will keep up the drumbeat even though we have a Democrat President now because whether it is Democrat or Republican, we all want to see that the money is properly spent.

So my accusations when I use the words—or dates of 1993, it is not an accusation against President Clinton. It is just when these letters were written and these things were pointed out.

Four days later, on April 27, 1993, Comptroller General Bowsher turned in a third alarm.

I have just finished quoting Senator GLENN warning Secretary Aspin.

Comptroller General Bowsher, in a letter to Secretary Aspin, gave this warning:

Air Force monetary resources are vulnerable to fraud, abuse, and mismanagement.

He went on to say—continuing the quote:

The Air Force has made billions of dollars in erroneous entries and arbitrary adjustments to force agreement between related records.

Mr. President, the national burglar alarm is ringing. The Air Force money is vulnerable to abuse. And I think if you want to believe the Inspector General of DOD and the General Accounting Office—we all respect Senator GLENN—I think that there is adequate information that abuse has taken place.

Worse than that, Mr. President, I want to go on to say things that others have not said. I think the Air Force money is vulnerable to theft.

A recent case of a low-level GS-8 accountant, Mr. James Lugas, at Reese Air Force Base, TX, clearly suggests that the potential for theft is very real. The Lugas case could be linked, although I cannot say categorically, to the disappearance of \$649.1 million, a small part of it, \$2 to \$3 million, but still a substantial sum of money.

Mr. President, the Air Force Audit Agency has completed a review of that case and issued a formal report on June 3 of this year.

These are the facts.

Over a 3-year period, between November 1989 and November 1992, Mr. Lugas, who is now in prison, is believed to have stolen at least \$2,094,318.50 at Reese Air Force Base, TX.

First, he set up a dummy company—L&J Supply he called it—that sold metal shelving and meat to the stock fund and commissary at the base.

He, Mr. Lugas, picked those accounts because they were the easiest targets he could find. They are also part of the Defense Business Operations Fund. I call that DBOF.

Then, he forged payment vouchers and the necessary certifications and

had U.S. Treasury checks issued to his bogus firm. After depositing the money in his bank account at the base, he destroyed the file copy of the payment vouchers.

Next he was able to hide the theft by adjusting general ledger accounts with plug figures and other phony entries, forcing the books into balance. These were unsupported adjustments. That means, Mr. President, no documentary evidence.

Mr. Lugas' money laundering scheme should have been detected during the audit, annual audits, at Reese. But there was one slight problem.

If vouchers selected for review were missing, Air Force accountants simply moved on to the next voucher. This is the famous FIDO maneuver.

If the invoice or voucher in question was missing, then the word was "Forget it, drive on," or FIDO.

And why, for example, would the commissary fail to notice it received no beef in return for the money it paid Lugas' company? Well, it is only because the Air Force is not doing accounts receivable.

In May, Mr. Lugas began serving a 5-year sentence in the Federal prison, in El Paso, TX.

As Senator GLENN put it:

Lugas was caught, not as a result of Air Force internal control procedures, but because his neighbors, noticing his lavish lifestyle, believed that he was involved in illegal drug activity and reported him to the DEA.

Had it not been for his outrageous behavior, knowledgeable Air Force officials think that Lugas could have "kept going for years."

Mr. President, Rick Sia of the Baltimore Sun wrote an excellent article about Mr. Lugas' operation.

I ask unanimous consent to have that put in the RECORD at the end of my statement.

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

(See exhibit 1.)

Mr. GRASSLEY. The Lugas case goes right to the heart of the problem surrounding the \$649.1 million transaction, and my proposal to amend this bill for that \$649 million because it should not have been spent as long as there was no documentation to support its expenditure.

That issue is more about a plug figure and about missing documents than it is just about \$649 million. It is how business is done. That is what the Lugas case is all about.

Lugas deliberately destroyed documents and used plug figures to keep the books in balance and then relied on a known lack of discipline in the system to avoid detection. Air Force financial controls were ineffective and Lugas knew it.

But there was another layer of checks and balances above Mr. Lugas at the department level—at the finance center at Denver, CO. The \$2.1 million

in unauthorized disbursements to Lugas should have been detected there.

Sadly, the backup departmental controls also failed. But that should come as no surprise. That is where the \$649.1 million disappeared.

The mounting imbalance between cash-flow at the base level and the amounts available for expenditure on the books at the Denver center should have set off a burglar alarm but it did not. But there was a total indifference at Denver—just like at the local level, at Reese.

The accountants at Denver also liked to do the FIDO maneuver, and they had access to the "magic" vault—the ultimate source of plug figures. So there was no real need to do bookkeeping and maintain the proper control on the expenditure of money.

Mr. President, I contend that some of the \$649.1 million could have been stolen by Mr. Lugas or someone like him. I do not think that is where most of it went. But you can see that it could happen. I challenge the Air Force to argue the point. Without supporting documentation, the Air Force can never prove that some part of the \$649.1 million was not stolen.

Mr. President, to take \$649.1 million from a magic vault to plug the gap without first reconciling the underlying accounts, that is gross negligence. We better take decisive action before some Air Force financial scandal blows up in our face.

Senator ROTH and I proposed this amendment because we feel very strongly about this issue and that there should be an accounting for this, and that this money should not have been taken out of the M account in violation of the Anti-Deficiency Act and other laws, just to balance the books; that the Defense Department should not have this money in the first place, and that is why our amendment would take the money.

But there are some questions that can be answered, and we are interested more in the long-term goal than the short-term goal of a \$649.1 million cut. I suppose even if we take this out of the bill and put it back in the general fund so DOD does not have it to expand, whatever was wasted, illegally spent, is water over the damn.

I think that if we can get answers to questions, at least this sets the stage for the future that this will not happen again. And whatever the General Accounting Office and inspector general has recommended it would take into consideration, if they know we in the Senate are watching, maybe they will be more cautious and will protect the taxpayers' money better in the future.

I think there are four important questions to be answered here. Is there adequate documentation to support the obligation and expenditure of the \$649.1 million identified in the Department of Defense Inspector General Audit Re-

port 92-28? That is the first question. They say there is no documentation. There might be people in the Defense Department saying there is documentation. If there is documentation, that should have been given to the GAO and the inspector general. So if there is documentation, then there is an information problem. Is the Department of Defense trying to withhold information for some reason or other from public scrutiny?

If the answer to question No. 1 is no, there is no documentation, then was section 1501 of title 31, of the United States Code violated?

Question No. 3, was the Anti-Deficiency Act violated? Supposing it was violated, whose head is going to roll as a result of the illegal expenditure of taxpayer money. If those of us in this body spend money illegally, you can sure bet our constituents are going to want us prosecuted; I am referring to the money we control in our own account for our own staff purposes.

The last question was the \$649.1 million restored from the merged surplus account after the account was closed by Public Law 101-510. For the money of my colleagues, that is the proposal whereby we shut down the M account. I think by October 1, 1993, those are totally shut down. The M accounts, as you probably know, were the slush funds built up to \$50 or \$60 billion that the people at the Department of Defense could play with that really contravened to some extent the constitutional power of the Congress to control public expenditures.

Well, these four questions are very important to me—probably more important than the \$649.1 million dollars, because I suppose that is a little like crying over spilt milk once the money is wasted, if the GAO and the inspector general are correct. But we sure want to make sure that this practice cannot continue, and that the recommendations of the inspector general and of the General Accounting Office provide, solid accounting, and make sure there is documentation for every dollar to be spent, so that these are changed.

It seems to me like the department must provide a full accounting for the \$649.1 million transaction. Somebody has to care. Someone has to make the Department of Defense account for the money. If there is no documentation, and if the Department of Defense IG is unable to audit those accounts, then we ask the Department of Defense IG to recommend appropriate and corrective action, to include disciplinary action, consistent with the authority contained in section 4(a)(5) of the Inspector General Act of 1978.

We owe this much to the taxpayers of our country, Mr. President.

EXHIBIT 1

[From the Baltimore Sun, June 1, 1993]

\$26,800-A-YEAR OFFICIAL BILKS AIR FORCE OF MILLIONS

(By Richard H. P. Sia)

LUBBOCK, TX.—John James Lugas needed far more than his \$26,800 salary as an Air Force accountant to feed an insatiable appetite for expensive cars, Rolex Watches, diamond jewelry and beautiful young women.

So he exploited weaknesses in the Air Force bookkeeping system for three years to make sure U.S. taxpayers paid for his avarice. He siphoned more than \$2 million without arousing suspicions of officials here at Reese Air Force Base on the wind-swept plains of west Texas, or higher up in the chain of command.

The 42-year-old civilian, who worked as lead accountant at base headquarters, was so brazen he deposited the money in the bank at Reese and drove to work in a 1992 Corvette, one of 27 luxury cars and pickup trucks he bought with stolen funds.

He routinely destroyed files, doctored computer records and forged the initials of other office workers to keep the cash flowing into his bank accounts.

"The Air Force, in my opinion, was clueless," said Christopher M. Sigerson, who eventually helped unravel the crime for the Internal Revenue Service last fall. "We went over to the base and asked, 'Is there any way this guy could have been embezzling money?' They said, 'No way. We're a small base. We would have noticed.'"

"The Air Force auditing system would not have allowed anyone to discover the crime," said Daniel J. Warrick, Lugas' defense attorney. "It's scary."

It actually took a tip by a female acquaintance to the Drug Enforcement Administration to expose Lugas, who pleaded guilty Jan. 15 to money laundering and entered La Tuna federal prison in El Paso, Texas, two weeks ago to begin a sentence of five years and three months.

The woman told DEA agent Bob Richardson last October that Lugas was—"with no apparent source of income, buying lots of expensive vehicles and giving cash to women," investigators said in a search warrant application.

"So we started checking into it and found Corvettes here and Corvettes there, but it clearly wasn't a dope-related thing," recalled Gary Oetjen of the local DEA office. The agency then asked the IRS to lead an intense three-month probe, which eventually involved U.S. postal inspectors and the Air Force Office of Special Investigation.

By this time, Lugas had moved his family into a four-bedroom home in Lakeridge Country Club Estates, the richest section of Lubbock; bought a tanning salon business that provided jobs for several girlfriends, and helped underwrite the singing career of a Wayne Reed Boyd, a country-rock musician and close friend, IRS agents and an assistant U.S. attorney said in interviews here.

After weeks of surveillance, sometimes using video cameras, federal authorities arrested Lugas in his office on Dec. 3. Six days later, a federal grand jury indicted him on 71 counts of mail fraud, 70 counts of money laundering and one count of using a false Social Security number in his scheme to embezzle \$2,037,235.

Air Force officials, who vigorously defend their ability to manage tax dollars, say privately they were shocked and embarrassed when federal investigators told them Lugas might be running a phony billing scheme.

REPEATED WARNINGS

Documents obtained by the Sun also show that the Air Force Audit Agency has faulted the service's internal financial controls—which the General Accounting Office repeatedly warned were inadequate to safeguard public assets.

When he pleaded guilty, Lugas admitted in a sworn statement that he used about 80 phony invoices and a bogus company named L&J Supply between Oct. 1, 1989, and Nov. 19, 1992, to obtain fraudulent payments from the Air Force base.

Lugas said he prepared vouchers authorizing the payments and then certified the paperwork as accurate so that the unsuspecting base cashier could issue U.S. Treasury checks and mail them to the fictitious business.

Lugas also altered computer records to make it appear the checks—in amounts ranging from \$11,301 to \$77,120—were paid to big, well-known defense suppliers.

The Air Force, which suspended Lugas without pay after his arrest and then fired him on March 26, rushed a team of auditors to Reese to find out how much was stolen, exactly how the billing scheme escaped the notice of finance officers and whether the finance and accounting system abetted the crime.

"ACTION" MEMO IN FEBRUARY

Both the auditors and the Defense Finance and Accounting Service, which keeps track of monthly balances at Air Force bases around the world, are continuing to examine payments made by Reese and other bases for potential fraud.

But in a Feb. 23 "action" memo, the Air Force Audit Agency urgently appealed to all Air Force installations to strengthen their internal controls over payments and records because of clear-cut "control weaknesses" at Reese, which shares the same accounting system with other bases.

In addition, a random review of more than 1,000 changes in Reese's financial records already revealed that 53 percent of the adjustments were unsupported by bills or other documentation, the agency said.

The auditors, who now say close to \$2.1 million was taken, think Lugas could have "kept going for years," said a knowledgeable Air Force official. His last supervisor, an Air Force technical sergeant, had been on the job for only four months and relied heavily on him to run the materiel section of the finance office, which pays for goods used by the base, the official said.

While Lugas circumvented several existing internal controls, "the fraud was not detected because quality assurance reviews were incomplete," the audit agency said in its February memo.

Agency auditors found that Lugas could arrange payments by himself, despite rules requiring different employees to prepare vouchers for payment and certify them to allow check to be issued.

They also found that Lugas could change the books without submitting documentation and could actually destroy vouchers and other paperwork in the files without raising any questions.

In its memo, the agency said the base failed to check the accuracy of its payment records, as required in June, 1992, noting that its previous annual reviews were done incorrectly. If a payment voucher selected for review was missing from the files, the base accountants skipped over it, never bothering to investigate.

"These folks should have been on to this at the beginning, but they were the last to

know," said Mr. Warrick, Lugas' attorney. "The standard procedure was FIDO—if the invoice or voucher in question does not exist, Forget It, Drive On."

An Air Force officer familiar with the case said Lugas' dummy company was paid to supply the base commissary with metal shelving and meat, yet the commissary failed to notice it received nothing in return for the payments Lugas often made from its account.

"The major problem with the Air Force is that they have a nasty history of not following guidance," said an aide to Sen. John Glenn, the Ohio Democrat who chairs the Senate Governmental Affairs Committee.

The Senator, who plans to hold a hearing July 1 on the Lugas case and Air Force financial management, wrote Defense Secretary Les Aspin in April to warn about the military's lack of financial accountability.

"The absence of even the most basic internal controls permitted a lower-level employee to embezzle about \$2 million over the past three years," Mr. Glenn said, alluding to the Lugas case.

Since 1990, the General Accounting Office, an investigative arm of Congress, has warned the Air Force of widespread accounting errors, inaccurate financial reports and the failure of finance offices at local bases to review their account balances for trouble or suspicious year-to-year fluctuations.

"Today, over 2½ years after we first reported on Air Force financial management deficiencies, we have still not seen a strong commitment by Air Force management to effectively act on the problems," the agency said last December.

Officials at Reese, home of the 64th Flying Training Wing, declined to be interviewed, saying they were ordered to defer comment to the Air Training Command or Air Force headquarters in Washington. These higher commands would not discuss details of the Lugas case until the internal audits were finished.

Efforts to reach Lugas or his wife, Paula, who has moved out of the neighborhood, were unsuccessful.

Lakeridge residents, some of whom have three- or four-car garages and luxury homes that sell for more than \$280,000, said they had virtually no contact with the Lugas, whom they described as quiet neighbors.

"He was exceptionally smart in setting it up, but he was exceptionally dumb in spending the money," said Calvin E. Puryear, the IRS agent who ran the investigation. "This guy's lifestyle did him in."

Lugas was seen taking women he liked on shopping sprees for gold and diamond jewelry, furs and cars. He gave generously "just to keep pretty women around him," Mr. Puryear said.

Without his family's knowledge, Lugas also rented a two-bedroom condominium that he usually made available to friends, male and female, to use as a hangout, he added.

"It got to the point where people were leeching after him for money and loans" which only intensified Lugas' criminal activity, said Mr. Sigerson.

When he was arrested, Lugas already had ordered his second top-of-the-line Corvette ZR1 for \$65,000, the IRS agents said. His 27 vehicle purchases included six Corvettes, two Lincoln Continentals and six fully-loaded late model Chevy vans or pickup trucks.

Only 17 were seized by federal marshals, since some were given away by Lugas to his wife, his in-laws or five girlfriends, and had been sold or traded for other vehicles, they said.

"His arrest really brought tears to more than one car dealer," said Roger L. McRoberts, the assistant U.S. attorney who prosecuted Lugas. "He never dickered over price. He'd just write a check."

Whenever someone asked Lugas where got his money, he would say his mother died in the August, 1985 crash of a Delta Airlines jet at Dallas-Fort Worth Airport, resulting in a big settlement. Mr. McRoberts said. "It was not an implausible story," he said.

Mr. GRASSLEY. Mr. President, I ask a parliamentary question. I have not put my amendment before the Senate yet. I would rather not do it right now, but I do not want to lose my right to do that. If I do not put my amendment before the senate right now, would I lose the right to do that?

The PRESIDING OFFICER (Mr. ROBB). The way to ensure that the Senator would not lose his right is to receive unanimous consent to do so under different conditions.

Mr. GRASSLEY. First of all, I just received a note that Senator ROTH will not be able to speak, but he wants to put a statement in the RECORD, which I do not have yet. I want to make sure that it gets in the RECORD. I have been informed that Senator PRYOR will be over and would like to speak shortly. I want to make sure that Senator PRYOR can speak, because I have worked closely with him on other matters.

AMENDMENT NO. 486

(Purpose: To require the deobligation and cancellation of certain amounts in certain merged appropriation accounts)

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

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows: The Senator from Iowa [Mr. GRASSLEY] proposes an amendment numbered 486.

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

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

The amendment is as follows:

On page 15, between lines 12 and 13, insert the following new section:

SEC. 304. (a)(1) Not later than 30 days after the date of the enactment of this Act, the Secretary of the Air Force shall, in accordance with paragraph (2), deobligate amounts totaling \$649,111,986 that—

(A) pursuant to subsection (a)(2) of section 1552 of title 31, United States Code (as such section was in effect on November 4, 1990), were restored from unobligated amounts withdrawn under that subsection; and

(B) were transferred to merged appropriation accounts established under subsection (a)(1) of such section (as such section was in effect on November 4, 1990).

(2) For each appropriation account listed below the Secretary shall deobligate amounts that total the amount specified for such account as follows:

Appropriation Account Number:	Appropriation Purpose:	Amount:
57M3010	Aircraft Procurement, Air Force.	\$143,388,840.
57M3020	Missile Procurement, Air Force.	\$118,008,560.
57M3080	Other Procurement, Air Force.	\$42,646,658.
57M3300	Military Construction, Air Force.	\$25,899,568.
57M3400	Operation and Maintenance, Air Force.	\$190,709,100.
57M3600	Research, Development, Test and Evaluation, Air Force.	\$111,127,970.
57M3700	Reserve Personnel, Air Force.	\$259,645.
57M3730	Military Construction, Air Force Reserve.	\$64,911.
57M3740	Operation and Maintenance, Air Force Reserve.	\$10,126,147.
57M3840	Operation and Maintenance, Air National Guard.	\$6,166,564.
57M3850	National Guard Personnel, Air Force.	\$454,378.

(3) Amounts deobligated pursuant to paragraph (1) are rescinded effective immediately upon deobligation.

(b) Not later than 30 days after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the deobligation and cancellation of amounts required by subsection (a).

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

Mr. INOUE addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. INOUE. Mr. President, before proceeding, I would like to commend my colleague from Iowa for serving as the fiscal watchdog of the Department of Defense for all these years. As chairman of the Defense Appropriations Subcommittee, I appreciate this very deeply.

I would like to say what I believe all of my colleagues will agree, that we appreciate the Senator's unflagging efforts to eliminate waste, fraud, and abuse in the Department of Defense.

On this amendment, Mr. President, I find it very different to support the Senator. The amendment would require the Secretary of the Air Force to deobligate \$649 million from various accounts. These funds have been restored under provisions included in the 1991 Defense Authorization Act, and the Senator has very ably argued that the Air Force failed to properly account for these funds, thus violating statutory law and should not be allowed to make use of them.

Mr. President, my review of the situation described by the Senator from Iowa indicated that the Air Force has acted to address errors in its book-keeping system. I most respectfully do not believe that the Air Force acted to willfully neglect the statutory requirements nor do I believe that the Air Force failed to account fully for these funds.

Here are the facts as have been presented by the Department of Defense and by my staff:

DOD identified \$1.7 billion in outstanding obligations of which the Department inspector general and the GAO questioned the validity of \$649 million of Air Force obligations.

Second, the question regarding the \$649 million arises out of the Air Force

actions to reconcile two separate accounting systems, one used at Air Force bases and one used by the Treasury.

Third, neither the DOD inspector general nor the GAO team reviewed the Air Force base records to determine the validity of the Air Force obligations. Thus, neither the IG nor the GAO have proof that these obligations are inappropriate.

Fourth, the Air Force contends the obligations are necessary and are required to cover legitimate costs. In fact, the DOD comptroller reviewed Air Force actions and determined them to be proven.

Mr. President, I have been advised, and I hope it is true, that after the debate the amendment will be written, because if the amendment prevailed the Air Force would have to ask for new money in fiscal year 1994 to cover valid obligations. Essentially, we would be appropriating funds twice to cover the same bills, and I do not believe the taxpayers of America will find this to be sound fiscal management.

In a letter received just last week, the Department indicated its opposition to this amendment, arguing that it would hinder significantly the Air Force's ability to pay its just debts to individuals, vendors, and contractors.

Mr. President, the criticism of Air Force accounting practices by my colleague from Iowa has justification. What is needed, as the Senator has indicated, is a positive approach to fixing the DOD accounting system. That is why in my capacity as chairman of the Senator Appropriations Subcommittee on Defense, I have agreed to send a letter to the DOD inspector general requesting an audit of Air Force accounting records and perhaps with respect to the restoring of \$649 million in the M account funds.

The letter that has been drafted has been drafted in consultation with the Senator from Iowa, and I have been assured that it has met his concurrence.

I wish to advise the Senate that I intend to work very closely with the Senator from Iowa to make certain that his concerns are met, while at the same time working to make certain that the Department meets its requirements.

I hope that his approach will be approved by the Senator from Iowa. I think this a very positive approach, and I have done this in consultation and at the suggestion of my friend from Iowa. I hope we can proceed in this fashion.

Mr. GRASSLEY. Mr. President, I believe that I do have the letter in my hand that the Senator from Hawaii, the distinguished chairman of the subcommittee, recommends that he send, and I believe that this does meet our concerns.

But let me put it this way: Very definitely the substance of the letter meets

Appropriation Account Number:	Appropriation Purpose:	Amount:
57111081	International Military Education and Training, Executive (transfer to Air Force).	\$259,645.

my immediate concerns. I would ask a dialog with the Senator on this point. I know he just made a statement that he was going to work with us and follow through.

So I am not questioning the Senator's statement. But I think that that is the essence of the whole process, not just what is stated here in this letter, but it is the extent to which he, as a very distinguished Senator, very powerful in the area of defense appropriations, and with the constitutional power of oversight which may even be more important than the constitutional power of appropriations in the first place, will actually ride herd on this and see that we get the answers to the questions, and not only answers to the questions, but then in a sense make sure that the proper changes are made in the procedures within the Department of Defense so it cannot happen in the future.

I did not really ask that in a point of a question, but that would be my question to the Senator. I yield to the Senator to respond if he would, please.

Mr. INOUE. The Senator has my commitment and my pledge that will be done.

Mr. GRASSLEY. OK.

I thank the Senator very much. I do not want to withdraw the amendment yet, because the Senator from Arkansas wishes to speak. I would like to yield the floor, and then I have one comment just generally about the legality that the Senator spoke to that I want to make a point on, and then at that point I think I would withdraw the amendment.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. PRYOR addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arkansas [Mr. PRYOR].

Mr. PRYOR. Mr. President, I thank the Chair for recognizing me.

Mr. President, this morning I come to the Senate floor really quite unexpectedly and without a great deal of preparation. I want to apologize to my colleagues for not having a more detailed presentation to make.

But one of my purposes of coming to the floor was to apologize to my very good friend from Iowa, because I have not been able to be on the floor this morning helping him in his effort and in his quest to do something and to deal with the so-called M accounts in certain areas of the Pentagon.

We have struggled with this issue for a number of, let us say, fiscal seasons—for a number of years. To me this is one of those areas that needs to be corrected. The Senator from Iowa in his usual and normal wisdom has taken on a subject which may be arcane to some of our colleagues and also, to a large degree, arcane to me, but I do believe that it deserves our very, very careful attention.

I also want to join with my friend from Delaware, Senator ROTH, who has been an ally with Senator GRASSLEY on this issue for a number of years. I want to join and give whatever support I can to Senator GRASSLEY and Senator ROTH in this good effort.

I have been encouraged, although I did not get to hear the entirety of the statement of our friend from Hawaii, Senator INOUE, the chairman of the subcommittee, who is dealing with this issue and who has made, I think, very significant commitments this morning on the floor of the Senate with regard to the issue of the M accounts.

I have asked in the past, as I know my colleague from Iowa has, why this account ever got to be named M account. The best explanation I can find is because it has now become the mystery account. And this is the mystery account because these are those funds which are unexpended which basically, as I understand it, fall into a separate category of themselves, are rolled over year after year, and can be used by certain officials in a discretionary manner, which almost thwarts any ability for the accountants, for the inspector general, for the auditors, to really follow these funds to see where they are actually expended or where they wound up.

I think another major question that we must ask ourselves is: Do all other agencies have this same accounting system, these same procedures?

Do all agencies of our Government, all departments, have in fact something known as M accounts? This is something that I doubt that there is an affirmative answer to. I do not think other agencies have these same accounts. I think most of their funds are funds that must be accounted for.

I think, Mr. President, that it is time that we look at the M account funding in this process which I think is inviting a terrible—hopefully it will not happen—but could invite a terrible scandal in the future if there is misuse or gross misuse of these funds.

Mr. President, once again I am encouraged by our friend from Hawaii in his statement about the M account funding. I am also encouraged by my friend from Iowa, Senator GRASSLEY, who has once again vigilantly pursued this issue to, hopefully, what I assume is going to be a very good result.

Mr. President, I apologize to him for not being more active on this issue with him this year. I look forward to following through with him in the ensuing weeks ahead as we bring this to, as I said, a good result.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. INOUE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Hawaii [Mr. INOUE].

Mr. INOUE. Mr. President, I wish to commend the Senator from Arkansas

for his role in this matter, and once again commend my friend from Iowa for serving as our special watchdog on fiscal matters affecting the Department of Defense.

As the Senator from Iowa is aware, at the initiative of the subcommittee, the entire M account—the account that we have been discussing this morning—will be canceled automatically on September 30 of this year, the end of the fiscal year and, therefore, all obligated balances in these accounts will no longer be available for any purpose. We are closing the account.

After September 30, the Air Force will have to pay bills from its current accounts. This automatic cancellation in itself will affect the Air Force's ability to execute authorized and appropriated programs in fiscal year 1994.

I just cite this, Mr. President, to assure my colleagues in the Senate that the Appropriations Subcommittee, when made aware of the misuse of the M account, did take action, and we now stand ready to very eagerly work together with the Senator from Iowa, the Senator from Delaware, and the Senator from Arkansas to make certain that this matter is resolved.

Mr. GRASSLEY addressed Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Iowa [Mr. GRASSLEY].

Mr. GRASSLEY. I am about ready to withdraw my amendment.

First of all, I wish to thank the Senator from Hawaii for his cooperation.

With the Senator's permission, I would like to have printed in the RECORD a copy of the letter he will be sending.

Mr. INOUE. If the Senator will yield, I think it is most appropriate.

Mr. GRASSLEY. Mr. President, I ask unanimous consent to have printed in the RECORD the letter that Senator INOUE is sending to the inspector general.

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

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, DC, June 21, 1993.

Mr. DEREK VANDER SCHAAF,
Deputy Inspector General,
Arlington, VA.

DEAR MR. VANDER SCHAAF: Through recent DoD I.G. and GAO reports, it has come to my attention that a question has been raised over the validity of \$649 million in Air Force obligations restored from the "M" accounts under authority provided in the 1991 Defense Authorization Act. Moreover, Senator Charles Grassley of Iowa has raised serious concerns about the Air Force's failure to accurately account for these obligations.

Given Senator Grassley's concerns, and the questions raised by your organization and the GAO, I request that you undertake a formal audit of this restoration from the "M" accounts. The audit should determine the validity of these obligations by, at a minimum, answering the following questions: Is there documentation to support the obligation and expenditure of the \$649 million and, if not,

does this constitute a violation of current law? And, was the \$649 million restored from the merged surplus account after it was closed under statute? Your audit also should determine what—if any—"Anti-deficiency Act" violations have occurred or would occur should funds not be available to meet such obligations, and the nature of Air Force bookkeeping methods which led to the "requirement" to restore these obligations.

Since your office already has looked into this problem, I urge you to provide a complete audit report to the Congress within 90 days after the receipt of this letter. Should you have any questions regarding this request, please feel free to contact David Morrison, a member of my staff. I appreciate your prompt attention to this matter.

Sincerely,

DANIEL K. INOUE,

Chairman, Subcommittee on Defense.

Mr. GRASSLEY. Mr. President, I would also like to ask unanimous consent to have printed in the RECORD a letter from the National Taxpayers Union in support of the Grassley-Roth amendment.

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

NATIONAL TAXPAYERS UNION,

Washington, DC, June 21, 1993.

DEAR SENATOR: The National Taxpayers Union, America's largest taxpayer organization, strongly urges the Senate to adopt the amendment offered by Senators Charles Grassley and William Roth which would rescind \$649.1 million from the 1993 Supplemental Appropriations Bill, H.R. 2118.

It is our understanding that the U.S. Air Force has used \$649 million from its merged accounts, also known as "M" accounts, to fill an accounting gap. The GAO has said that this transaction "was not adequately documented and thus should not have been made."

This transaction may well be illegal under Section 1501 of Title 31 of the U.S. code, which requires documentary evidence for all government obligations. Also, the Defense Department Inspector General has charged that the funds were drawn from the "M" accounts about 10 months after those were closed by law.

This entire scenario is totally unacceptable to the American taxpayers we represent.

For these reasons, NTU urges you to support the floor amendment being offered by Senators Grassley and Roth. Rescinding \$649.1 million from the 1993 Supplemental Appropriations Bill, H.R. 2118, will send a clear message to the Air Force, and others, that sloppy and costly fiscal management will no longer be tolerated.

Sincerely,

DAVID KEATING,

Executive Vice President.

Mr. ROTH. Mr. President, once again we must put an end to bureaucratic manipulation of Government accounting rules. About 3 years ago, the Senate supported my efforts to do away with a \$100 billion slush fund that the Federal bureaucracy called the M account. I called it the Mañana account because the Government used it to make spending commitments, but no agency was ever held accountable for living within its budget because the bills do not come due until years later.

The Mañana account became a pot of money that bureaucrats used during times of tight budgets. They used it to cover cost overruns and to write more contracts than Congress intended from a given year's budget. In essence, the old rules meant that no Government employee could ever be held accountable for spending more than their budget. According to the Comptroller General, it was a legal way to circumvent the Antideficiency Act, which calls for criminal prosecution when a Government agency overspends its budget.

Mr. President, when we ended the Mañana account scheme, we fixed the Government accounting rules. Our fix returned accountability and integrity to the system. Under our reforms, a Government employee cannot commit the Government to spend more than Congress appropriated. In addition, if there were large unforeseen cost overruns, in excess of 1 percent of the budget, the agency would have to request additional funds. Last year, the Comptroller General highlighted the importance of the changes we implemented in 1990. He stated:

*** a prominent purpose of the 1990 reforms to the account closing provisions in 31 U.S.C. sections 1551-1558 was to apply the discipline of the Antideficiency Act and the Bona Fide Needs Statute to expired accounts *** the process of agency reporting over-obligations to the Congress and requesting funds to pay the obligations is vital to congressional oversight of how agencies manage their financial resources and necessary to accomplish the objectives of the Antideficiency Act.

Mr. President, the new accounting rules are in the process of being implemented. But, given the clear direction from Congress, I was surprised to learn that the Air Force used \$650 million from the Mañana account to make its books balance at the end of fiscal year 1992. It seems that the Air Force Headquarters does not know or have control over spending by field activities. When the books were compared at the end of last year, the Air Force found it had spent more than it was authorized. But, rather than coming clean with its bookkeeping problems, the Air Force chose to cover it up, by using the Mañana account. The GAO audited the situation and found that the "Air Force restored \$649 million unsupported *** (funding) authority to its 'M' accounts so that the obligations in departmental and field level records would agree."

The Comptroller General noted last year that: "*** an over obligation of a prior year appropriation is a reportable violation of the Antideficiency Act." While American taxpayers must balance their checkbooks, the Air Force appears to be unable to do so. The Defense Department's inspector general and the Comptroller General report that the Air Force wrote checks, hoped the books would balance at the end of the year, and used the Mañana

account so that no one would know it overspent its budget.

From what we know today, it does not appear that this was an intentional check kiting scheme. It does not appear that this was a result of any unplanned military need. Rather, it appears that the Air Force's poor record-keeping led to it spending more money than it was given. There can be no accountability for the American taxpayer when the Air Force can write checks for more money than it has in the bank, and the taxpayer's have to foot the bill.

Mr. President, with the status of the deficit, now is not the time to give any agency authority to overspend their budget. If the Congress chooses to ignore the Air Force's use of the M account to cover up its poor bookkeeping, it will put other agencies on notice that archaic budget games can be used to spend more than authorized. I applaud Senator GRASSLEY's continuing followup and investigations of the Government's use of the M accounts. I also appreciate the Appropriation Committee's support in investigating this issue. Our efforts may not make the Air Force pay back the taxpayers right now, but it should prevent them from using the Mañana account to overspend its budget this year. I urge my colleagues to support this endeavor.

Mr. INOUE addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUE. Mr. President, I ask unanimous consent that a letter from Ms. Alice Maroni, Principal Deputy Comptroller of DOD, addressed to Senator GRASSLEY, dated June 15, be printed in the RECORD.

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

COMPTROLLER OF THE
DEPARTMENT OF DEFENSE,

Washington, DC, June 15, 1993.

Hon. CHARLES E. GRASSLEY,
U.S. Senate, Hart Senate Office Building,
Washington, DC.

DEAR SENATOR GRASSLEY: This responds to your letter of May 20, 1993, in which you asked for the Department's support for proposed legislation to reverse an Air Force restoral of merged surplus authority in the amount of \$649 million.

The Department cannot support your proposed legislation because it would place an artificial constraint on the Department's ability to pay existing liabilities and could require the Air Force to find up to \$649 million from currently approved programs to pay valid bills.

The restoral created no new obligations. The restoral was an accounting adjustment to bring the Treasury and Air Force departmental obligations into balance with obligations recorded in the accounting records at the field-level. Therefore, deobligating these funds, as required in the proposed amendment, would fail to recognize liabilities that already exist.

Generally, there are differences when one set of accounting records is compared to another at a given time because of the vast

numbers of transactions and contractual actions involved in these accounting systems. Over time, these differences are largely reconciled through the normal accounting process. However, in this instance, the Air Force asked the Treasury to make a single large adjustment in order to portray more accurately Air Force liabilities on the books of the U.S. Treasury.

We recommend this proposed amendment language not be accepted by the Senate.

Sincerely,

Alice C. Maroni,
Principal Deputy Comptroller.

Mr. GRASSLEY. Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

The amendment (No. 486) was withdrawn.

The PRESIDING OFFICER. Does any Senator seek recognition?

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

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

The Chair recognizes the Senator from Oregon [Mr. HATFIELD].

Mr. HATFIELD. I thank the Chair.

Mr. President, we have a document that has now been made available by the CBO. It is a document relating to the current supplemental that is pending here on the floor.

There is a very interesting statistic that I would just like to draw my colleagues attention to. That is, to my memory, this will be the first time that a supplemental—and by the very word, the supplemental means an addition to the expenditure level to outlays and authorizations of the current fiscal year, this being 1993, the current fiscal year—according to the CBO this supplemental reduces the regular 1993 outlays by \$52 million.

I think that, in itself, is worthy of an historic note, maybe only a footnote. But those who follow the appropriations process realize that supplementals do mean additions, increases to the current level to which they are supplementing the action. And yet, this year, this bill, the Senate version, reduces the current fiscal year's outlays by \$52 million.

I wanted to just draw attention to that simple statement.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for

the quorum call be rescinded and I be permitted to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized as in morning business.

Mr. BYRD. Mr. President, will the distinguished Senator yield?

Mr. SIMON. I am always pleased to yield to the distinguished Senator from West Virginia.

Mr. BYRD. I only ask the question in view of the fact that there may be others who may wish to speak in morning business. How long does Senator expect his statement to take?

Mr. SIMON. I expect to take 3 minutes.

Mr. BYRD. I thank the Senator.

THE BULLS

Mr. SIMON. Mr. President, I wish I could discourse on Roman history, as the Senator from West Virginia has been doing. I do not know that much about ancient Roman history. But I do want to talk about a little of modern history that was made here the night before last when the Chicago Bulls won the National Basketball Association championship.

As a Senator from Illinois, obviously I take some pride in that, as do I think not just people from Illinois but around the Nation. For any of you who may have watched that final game, it was the way you want a final championship game to go—exciting down to the last second. But I think it is more than simply entertainment. It is more than just a team winning. What we saw were African-Americans and Caucasian-Americans working together to produce a championship team.

What we need in our society today is all of us working together, reaching out to one another. That is what happened there. That final 3 points was scored, not by Michael Jordan, even though he scored 9 of the last 12 points in that quarter, but it was a team effort.

No question, Michael Jordan is probably the best basketball player that has ever lived. He is tremendous. But it was a team effort, and what we need in our country is a team effort on the problems that we face—all of us working together.

We are very proud of the Chicago Bulls in Illinois. I know my colleagues from Arizona are proud of the Phoenix Suns, but I think they also join in congratulating the Bulls for winning this, and I think the people of America join in this. I hope we learn a lesson from people working together to get a great final product.

Mr. President, if no one else seeks the floor, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Delaware is recognized.

SUPPLEMENTAL APPROPRIATIONS ACT OF 1993

The Senate continued with the consideration of the bill.

Mr. ROTH. Mr. President, the Nation's attention will soon turn to the Senate and our consideration of the President's tax bill. Americans are concerned that the President's program will hurt job growth. Businesses are concerned about the increasing costs of hiring more labor, and we are all concerned about the future of our Nation's ability to compete. Every day, more Americans are realizing that President Clinton's economic plan is not what candidate Clinton promised. They are looking for real change from the old tax and spend policies, and Senator LOTT and I are offering that change today.

This amendment we are offering today is based on legislation we recently introduced, the Real Jobs for America Act, which is cosponsored by 20 Members of the Senate and contains 8 tax incentives for economic growth and private savings that have broad bipartisan support. These tax changes offer the best opportunity we have to create an environment for economic growth. Our plan promises more than 800,000 new jobs based on estimates by the minority staff of the Joint Economic Committee and it is fully paid for by cuts in spending. In fact, this proposal has \$12 billion more in spending cuts than in tax incentives, all of which will be devoted to reducing the deficit.

The need for this bill is clear: Americans want real reform—reform that will translate into real jobs, real family security, and real long-term economic strength for America. Toward meeting these objectives, this amendment is a 180-degree turn from President Clinton's economic program.

Let me explain how:

First, the President wants to raise taxes; in fact, he has proposed the largest tax increase in history. On the other hand, our amendment would cut taxes by over \$45 billion. Second, the President wants to increase the size of Government. This amendment would cut the size of Government. Third, the President's program will stifle economic growth and result in as many as 1.2 million lost jobs. This amendment would spur economic growth and create more than 800,000 jobs.

There has been a lot of change. The President has asked the American people to sacrifice. But what he is proposing is not change—it is not change at all. Rather, it is more of the same. He

is advocating more taxes, just like the Congress passed in 1990, and before that in 1982, 1984, 1985, 1987, and 1989. Think about those increases. Those tax increases did not reduce the deficit; the deficit continued to grow. My fear is that this tax increase, like the 1990 tax increases, will slow economic growth and job creation.

Americans know this, and they are rejecting it in massive numbers. All you have to do is read constituent mail, or look at the Texas election. Virtually all of my Delaware mail and phone calls are strongly opposed to the Clinton economic plan.

Today, we are offering real change—a tax cut paid for by real spending reductions—reductions that are guaranteed in law by budget spending caps. A change from Congress' business as usual of increasing taxes.

Some might ask "why offer a jobs package now?" The answer is simple: Americans need this security. Is there any Member who doesn't believe the future can be made more secure—opportunities can be made more plentiful—for Americans? Can anyone say that there are enough jobs at home to keep a recovery going? I certainly do not hear that in my State, and I don't think my colleagues feel that way about their own States.

So, some might say, "Why didn't you vote for the President's job stimulus package when it was before the Senate?" To that I have two answers: First, President Clinton's package would have increased the deficit another \$20 billion. Second, President Clinton's package relied on mostly temporary, Government jobs. The stimulus package offered little, if anything, to encourage growth in private sector jobs, or incentives that will improve our economic competitiveness.

Mr. President, the plan we offer today meets this criteria. Of course, it does not remedy everything. In fact, I think the next step this Congress should take is a strong deficit reduction package made up of spending cuts—cuts like those in the \$558 billion program I announced months ago.

Since we first unveiled this jobs plan, I have received calls from all over the Nation from people who support it, people who are enthusiastic, people who see this as the answer they have been waiting for. Calls and letters have been coming in from housewives, senior citizens, small business owners, farmers, and many others. They support this plan because they recognize it represents an opportunity for getting the economy moving—it's the only real plan that will create jobs.

They support this plan because it encourages employers to be optimistic about the future. Recent news that the Consumer Confidence Index has fallen to its lowest level since last October is only one indication that higher taxes will not improve our economy. Last

Thursday, the chamber of commerce reported that their business confidence index plunged in June, the steepest decline in the 2 years that the chamber has conducted this survey of business executives. The chamber said the decline reflected a growing disenchantment with the economic uncertainty caused by the prospects of higher taxes for deficit reduction and health care reform.

Mr. President, one only has to examine the latest revision of statistics on the growth of our economy showing it has slowed from 4.7 percent in growth in the fourth quarter to less than 1 percent for the first quarter this year. This, unfortunately, is yet another sign that the economy is in danger under the Clinton economic plan.

This amendment, however, presents the opportunity to turn the Nation around. We believe that this package of tax incentives will encourage growth and jobs. First, we advocate two provisions to reduce the cost of capital and tax penalties on investment. Capital gains would be indexed for inflation beginning after January 1, 1993, to remove the unfair taxation caused by inflation.

Second, the alternative minimum tax would be adjusted to encourage capital intensive industries to invest and modernize their plants and equipment. This AMT change is considerably better than the one offered in the President's tax plan.

Next, this plan will go a long way toward strengthening American small business—quite literally the engine of American enterprise. Our proposal allows small businesses to expense annual purchases of capital assets up to \$25,000—indexed for inflation.

This is an increase over the current law limit of \$10,000, and it is something that small business has been needing for years. Needless to say, over the years, the current law limiting this expensing amount to \$10,000 has been diminished by inflation. We offer a much-needed adjustment. Our proposal first increases the amount to \$25,000, and then it increases it every year as prices go up. This is much better than the limited increase to \$15,000 in the Finance Committee reconciliation recommendations.

During his press conference last week, President Clinton acknowledged what we have all known for a long time—that small business is the major generator of jobs in America. Small business created more than 4 million jobs between 1988 and 1990. According to the President, "Their job-generating capacity has slowed recently because it costs a lot of extra money to hire an employee and because of uncertainties in the economy." The President supports an increase in expensing, and this amendment provides for that. What this amendment does not provide for is the tremendous burden of the addi-

tional taxes that the President advocates.

Two other provisions in our plan are aimed at encouraging Americans to save by removing tax penalties on savings. The Clinton economic plan does not have any provision to encourage private savings, and yet saving should be a top priority. Americans have to plan for the future, and the IRA is a proven success. What we offer is the Bentsen-Roth Super IRA with two savings options that would be allowed for all taxpayers, limited to \$2,000. With over 75 cosponsors in the Senate last year, this is a very popular proposal.

Second, our plan allows penalty-free withdrawals from IRA's 401(k) plans, and 403(b) plans for first-home purchases, college education, medical expenses, and long-term cost. The Finance Committee Chairman last year, Treasury Secretary Lloyd Bentsen, released a study showing that the withdrawal provisions for first homes alone would create at least 250,000 new jobs—that is a quarter-of-a-million new jobs. Mr. President, this is an idea that almost everyone in the Senate has accepted and voted for before. It is good for our families. It is good for the country. It is good for our future.

On top of these real changes, the jobs hiring tax credit would encourage employers to hire more workers by providing for a tax credit to offset the cost of the FUTA and FICA taxes that now discourage new hiring. Many have complained that this is a jobless recovery, and that we have to get more Americans back to work. The recent statistics showing a decline in unemployment are encouraging, but concern remains that the good news may be only a seasonal blip on our economy with new summer jobs. The fact is, no one in my State feels comfortable that the job situation is good. Let us help employers, so that they can put people back to work.

Finally, two provisions in our plan would repeal unfair taxes on important industries by repealing all of the luxury excise taxes, and by allowing active participants in real estate to deduct losses in the same way that any other industry is allowed to. Why punish employees when job creation is our goal.

Mr. President, this amendment has 14 offsets to pay for the economic growth and savings plan. They include: elimination of the lump-sum retirement benefit for Federal employees; Medicare secondary payor reform; reduction of Federal aid for mass transit; the elimination of the highway demonstration projects; modification of the Service Contract Act, by eliminating the successorship provision; reduction of

Federal employment by 150,000; reduction of Federal Government administrative expenses; modification of vacation leave for Federal managers; reduction of legislative branch administrative expenses; and elimination of the Interstate Commerce Commission.

We would also close/privatize Federal helium reserves; reduce Legal Services Corporation funding by 50 percent; terminate Copyright Royalty Commission; and we would reduce funding for the European Bank for Reconstruction as well as the Special Defense Acquisition Fund. Finally, we would provide for no increase in funding for the International Development Authority.

It is always difficult to eliminate programs and make real and lasting cuts in Government spending. How we all wish that we had the infinite resources to pay for everything. But we don't. Some of these programs are outdated, others are inefficient. It is time for real change. And real change begins with getting our Federal house in order. That is what our amendment does. While it puts the Federal house in order—cutting and reducing where cuts and reductions are necessary and appropriate—it puts needed resources back in the hands of those who know best how to use them—the private sector.

This is the only way we are going to get America's economy back where it belongs. This is the only way we are going to prepare for a competitive future. This is the only way we are going to help American families, coast to coast, realize the security they deserve. I encourage all Members of the Senate to support this program. It is good. It is right. And it is necessary.

Mr. President, I ask unanimous consent that I may yield the floor to my distinguished colleague from Mississippi without losing my right to the floor.

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

The Senator from Mississippi.

Mr. LOTT. I thank the distinguished Senator from Delaware for yielding me this time. I want to commend him for the work he has done on this particular package now in the form of an amendment, and for the work he has done over the years to encourage saving and investment which lead to job creation.

I think this is a very important package. The distinguished Senator from Delaware has summed up what is basically in it. I would like to only highlight a few features. It would reduce the cost of capital and tax penalties on investment. It would encourage investment by and in small businesses. It would reduce the tax bias against savings. It would encourage private businesses to hire new employees. And, it would repeal tax penalties on the industry sectors.

This is the way we should be going. It provides incentives. Mr. President,

something has happened this year and it is happening right now in the Senate. The debate has shifted from what can government do to create job incentives in the economy through business growth, especially by small businesses. That is the proper way to move our economy. Instead, the debate has now shifted to whose taxes can we raise next? Washington, DC, has centered on intaxification. When you go home and talk to taxpayers they provide details on the current tax burden. I do not hear a ground swell demanding more taxes. The people working in businesses and industry, proprietors, and small business men and women alike all tell me the tax burden is grinding them into the ground.

But in Washington we say, "What is a little more taxes?" I mean is there anything left that we have not come up with a tax for?

Now, the House version of the budget reconciliation package is bad. Let me just mention one item—the Btu tax. It is horrendous. It would create all kinds of problems in the economy, but most importantly it would cost jobs. The Senate version is a little bit better, although from a regional and fairness standpoint the gasoline tax puts a heavier burden in many respects on our rural and Southern States like the State of Mississippi as compared with some of the Northeastern States where they do not have to travel as much to get to work. It is a very little step in a better direction.

But all the emphasis continues to be on raising taxes. This is the administration's way to deal with the deficit. Well, Mr. President, I bought that deal twice in the eighties and I got burned both times. First of all, there are fundamental economic principles. When you raise taxes, you do not necessarily—in fact, more than likely you do not—get more revenue into the Federal Government. In Washington, we think it is a static deal. If you raise a tax rate then you will get more revenue. The real world does not work that way. People change their behavior. If you raise people's taxes, they will stop working as hard, they will shift their income, they, in the case of capital gains, will freeze their assets and not sell things. So without movement capital formation doesn't occur. People will seek to avoid having half of their income taken in taxes. That is what you will create with the administration's tax plan. You have to figure in State taxes, FICA taxes, personal property taxes, and all other local taxes to calculate the effective tax burden. It will run well beyond 30 or 40 percent or maybe 50 percent. That is not the way to go. Praising taxes will get you less revenue.

There is another fundamental economic principle I learned in the eighties. If the Government raises revenue, it will not reduce the deficit. The

reverse happens. In 1983 and 1986 when we raised taxes, the deficit went up. In 1990, when President Bush came to some of us and said, "We got this deal with the Congress, we want you to vote for it," and my answer to the administration at that time was, "No. I have been burned twice, I am not buying that again. If we pass this tax increase bill in 1990, taxes will go up, the deficit will go up, the economy will go down, and you will be hurt by it." Isn't that exactly what happened? Sad but true. Absolutely.

The current administration's emphasis is going in the same wrong direction. First of all, tax increases will not help the deficit. It will exacerbate the deficit. Second, the American people have got it right. They keep saying it to us, but we cannot seem to hear it. They say, "Cut spending first, stupid." We can argue over whose numbers are right. But the fact of the matter is in this package we will take up later on this week, the actual spending cuts are very small. Very little or nothing was done by this administration to controlling spending.

Now, here is the supplemental. Our package belongs here. Because somebody needs to stand up and say, "What can we do to create some jobs?" Where is the incentive for a small business man and woman or an individual to do things that will help the economy? That is what this bill does.

When you talk about the word "economy," what does that really mean? It is an impersonal term. To me it means jobs. If you create jobs, that helps the economy. That is what we intend to do with this particular bill. How can we create jobs? How can we protect and upgrade jobs? By giving tax incentives for people to save and invest, that is the way to do it.

Let me talk a little bit about some of the specifics we have recommended without repeating everything the distinguished Senator from Delaware said. First of all, we have a provision that would address the capital gains problem. A lot of America's capital is owned by elderly people. And they will not sell their capital assets. Maybe it is timber. They will not move it because the taxes are so high. Inflation is also driving up that tax bite every year through an artificial movement up in value. They wind up freezing the asset.

If we would reduce the capital gains tax rate or if we just index it so that in the future at least their capital is not driven up in value and then artificially taxed by inflation, there would be an explosion of turnover in this particular area.

So, the first thing we do is index the capital gains tax rate. The capital gains tax destroys our fiscal seed corn which is used to make investments possible. Our global trading partners do not tax their citizens' capital, or if they do it is a very small amount. Why

should we do it to Americans? The slight adjustments to the tax treatment of capital gains will provide 250,000 Americans real jobs.

This is something that we can work together across party boundaries. Both the House and the Senate in the past have voted to reduce the capital gains tax in recent years. It just did not happen to get through the process.

I talked last week to Congressman CHARLES RANGEL from New York City, and he full understands that capital gains is something that could help the economy and help create jobs. His urban constituents would benefit from it, not just my constituents in the rural State of Mississippi.

Let us also remove the penalty for a capital intense industry to invest by improving cost recovery under AMT; 30,000 Americans could get real jobs by this change. We have the expensing deduction in this package. It will make the accounting rules reflect business reality by adjusting the depreciation schedules. This will allow businesses to expense up to \$25,000 for assets under section 179. It will give small businesses a real shot in the arm. And it will also give job creation a shot in the arm with roughly 150,000 new jobs.

This is something I believe President Clinton has called for. It was in his package, and yet Congress scaled it back. Another example of the wrong focus and the wrong direction.

As to the individual retirement account [IRA], when I go home people say, "Why did you change the rules on IRA that had given me incentive to save? People were taking advantage of it."

What is the answer? It was taken away because people were using it, and termites at the Treasury Department said it was costing us too much revenue. It costs the Government revenue when people save their own money? How insane can this static model be? This package would restore the people's opportunity to save again through a super IRA. It would be a penalty-free IRA and 401(k) withdrawals. We should waive the 10-percent penalty for early withdrawals for home purchases, educational expenses, catastrophic health care costs, or periods of unemployment.

Let people save their own money. Let people use their own money. In that way they would be less of burden on Government. Congress wouldn't be compelled to always come up with another Government program to do it for the people. Let the people have an avenue to do it for themselves.

One program that I have advocated very aggressively, and the Senator from Delaware agreed to it, is the jobs income tax credit. The only real way to make more jobs is to lower the employer's labor cost for each net new worker. And if a firm does not take advantage of this tax incentive, the Government

is not out the money. The Tax Code will get directly inside the business decision loop, and 50,000 people would get real jobs.

We need to repeal the luxury excise tax. What a crazy idea. It was easy to demagog in 1990. They said: "Let us put a luxury tax on rich people's items. Let us tax boats, airplanes, automobiles, jewelry and furs."

The failure of this tax has shown once again what is wrong with Congress. When you tax rich people's items they are not the ones who suffer. They just do not buy the items if the tax is too great. What you lose is the job for the guy building the boats, the women working on the automobiles. The airline industry is affected, general aviation industry is hurt—for what? People lose jobs and government loses revenue. Does this make sense to you?

We also should treat rental real estate activities just like any other business activities. We should get rid of the passive loss Tax Code change we put on real estate.

These are all ideas that will really help our economy to move forward. There is not enough discussion about that right now.

Some might argue later on this amendment should not be added to the supplemental appropriations bill. But it is needed.

I want to commend the appropriators today. I think that they have done a good job. It is smaller, targeted, and paid for. I see it as positive steps. I have looked over the supplemental appropriations and I intend to support it.

But, it is being described in some circles as a stimulus, a stimulus to help small business, for instance.

So clearly this is the logical place for us to have this debate, and to consider this amendment. Instead of trying to figure out whose taxes we should raise, or argue over which program to cut, someone needs to be talking about stimulus and growth. How do you create more jobs. Asking the question and seeking an answer is the way you solve the problems with our economy. And brings one to this amendment.

So I am delighted to be associated with this package. Every Member could walk in here and look at where we pay for each provision. By the way, I wanted to emphasize that all of the tax incentives are offset by spending cuts. And over the 5-year period we actually have some money left that can be used to reduce the deficit. That is in spite of the fact that the budget crunchers say that things like the jobs income tax credit cost us a lot of money. I personally do not think it will, because when you create more jobs, people pay taxes, and you get more revenue. But OK, we will just go with the budget crunchers. So even with the flawed static numbers, we pay for this entire package.

Some Senators will come in and say, "I do not like this particular provision,

I do not like that particular cut." And you can pick it apart, but consider the package in its entirety.

I do not agree with every piece that is in this package. But, I kept my focus on jobs. You ask how can you create jobs? Tax incentives is the answer. And, how can you pay for it? Here we found a way to pay for it all.

So I encourage my colleagues in the limited time we have here, to look at this package. Consider the positive job creation features and engage in a debate over its focus and direction, not its specific details.

There is nothing of this type in the basic supplemental appropriation bill and, even worse, the tax bill we are going to consider later on this week will hurt the economy. It will cost jobs, and again we are going in the wrong direction.

So I am very pleased to be a cosponsor of this package. I wish we had more time to discuss these important economic issues. Mr. President, I will yield the floor back to the distinguished Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I express my appreciation to the distinguished Senator from Mississippi for the role he made in helping develop this amendment. As he so eloquently stated, I think it does provide an imaginative alternative that can really do something about growth and jobs in the private sector.

I publicly want to thank him for his many contributions in developing this program.

At this time, I recognize the distinguished junior Senator from Utah, without losing my right to the floor.

The PRESIDING OFFICER. The Senator from Utah is recognized, without objection.

Mr. BENNETT. Mr. President, I rise to join my colleagues in endorsing this particular package.

I am pleased to be a cosponsor as well, and I want to focus just briefly this morning on one aspect of it with which I am perhaps best familiar in terms of my own background and experience, and that is the impact of taxes and regulations on the S corporation which is the largest creator of new jobs in this country.

The S corporation is also one of the most misunderstood of organizations in this country. Most people do not know what an S corporation is. They do not know what it does. They do not know why it exists. And frankly most Senators do not know.

I have come to that conclusion, listening to the debate that has gone on in the time that I have been in the Senate, and I am going to do my best to try to help Senators to understand what an S corporation is and what it does. As I do so, I want to put it in an analogy that I think everybody can understand.

An S corporation is a milk cow. A C corporation is a beef cow. And the difference is if you are going to get your money out of a beef cow, you have to slaughter it. An S corporation can continue to provide money for the owners of the corporation the way a milk cow can continue to provide money through her existence.

This is the way it works:

Mr. President, let us suppose you wanted to form a business and you chose the S corporation status, which means that the profits of that business will be taxed to you as an individual. They will flow through the corporation on to your personal income tax. With the personal income tax at the moment capped at 31 percent, that means you pay a tax rate below that of a C corporation; for example, General Motors, DuPont, one of the giants.

The nice thing about that, Mr. President, is that if your corporation survives and if it flourishes, the time will come when you will have some money that you can invest in something else; either go out and start another corporation or make your corporation grow.

If I may be autobiographical, Mr. President, I was the CEO of an S corporation that has created 1,350 new jobs over its lifetime. When I joined the company, there were four employees; now there are 1,350. I am not one of them anymore, obviously, but the Ethics Committee was willing to allow me to stay as a director of that corporation, so I am involved in its activities.

We are now a C corporation because we are listed on the New York Stock Exchange and we have hundreds and thousands of shareholders, and that is appropriate.

But during the period when we were growing, when we were creating those jobs, one of the major reasons we were able to create those jobs is that we financed the growth with internally generated capital. If we had been a C corporation, that capital would have been locked up within the company and not available for any kind of activity outside.

Under the proposal that we have from President Clinton, S corporations will pay taxes at an effective rate of 43.5 percent; whereas, as recently as 3 years ago, we were paying at 28 percent.

This is an enormous tax increase on the corporate form that has produced the most jobs in the job creation of the 1980's.

To give you an example of how big that is, at the beginning of the 1980's, when we came out of that recession, until the time we went into the next recession, we created within this country a net 20 million new jobs. But during that period of time, the Fortune 500—that is, the largest corporations in the country—were downsizing in order to meet global competition and elimi-

nated 3.5 million jobs, which means the number of jobs created in companies like the one I was associated with in the aggregate was really 23.5 million in order to absorb the 3.5 million that were lost to General Motors and DuPont and IBM and still create 20 million net new jobs.

What is the reward we in the Congress are being asked to give those people who created those jobs? We are saying we are going to raise your effective tax rate from 28 to 43.5 percent by virtue of the millionaire's surtax that the President talks about, combined with other changes in the Tax Code that produce an effective rate of 43.5 percent.

Then, in order to add indignity to that indignity, we come along with a capital gains proposal that says we are going to increase the effective rate of the capital gains tax, because everybody knows that the capital gains tax only applies to the rich.

Well, once again, the capital gains tax is a way of locking in the capital within the corporation and seeing that it is not available for new job creation, it is not available for economic activity. And so we are creating a double whammy on that portion of the economy where the new jobs are coming from by saying we are going to raise your taxes very dramatically, on the one hand, and then we are going to lock in your capital with our capital gains proposals, on the other hand.

Mr. President, I commend the Senator from Delaware and the Senator from Mississippi for coming along with some common sense that says, OK, we are going to cut the capital gains tax rate to allow once again this portion of the American economy to become more of a milk cow than a beef cow. We are going to create a circumstance where they can get capital unlocked and moving around, creating jobs and creating a circumstance where there will be economic growth.

And to those who say, "Well, the capital gains tax really, for reasons of fairness, should stay high so that the rich pay their fair share," I have two observations: the first one, learned as a businessman is, very clearly, 15 percent of something produces a whole lot more money than 31 percent of nothing.

The President is proposing a 31-percent capital gains effective rate. He will get no revenue from that wonderfully exciting number. If he followed President Bush's proposal and gave us a 25-percent capital gains tax, he would get 15 percent of something, which is a whole lot more than 28 to 31 percent of nothing.

So I endorse very heartily the capital gains provisions in this package.

And then the other thing that I think we have to keep in mind is money does not come from the budget. Money comes from the economy.

If there is no economic activity going on, regardless of what kind of budget

we pass, there will not be any money in the Federal till.

So why do we not approach these things from the standpoint of what will benefit the economy, what will create jobs for people to pay taxes on, rather than what meets the scoring guidelines out of the Congressional Budget Office, what looks good on the budget documents.

If I can do nothing more in my service in the Senate than get the Members of this body to understand that money does not come from the budget, money comes from the economy, and cause us to change our economic debate in that regard, I will have felt that my service here in the Senate has been worthwhile.

I recognize that the time has pretty well passed us now, Mr. President, so I will reserve my further comments for another circumstance.

But I conclude by, again, congratulating the Senator from Delaware for his leadership on this issue and saying how proud I am to be a cosponsor of this package.

The PRESIDING OFFICER. The Senator from Delaware retains the floor.

Mr. ROTH. Mr. President, I appreciate very much the kind of remarks of the Senator from Utah. I think he points out, in a very specific manner, why this legislation is so important to small business; that we really have to do something to change the climate if we are going to create the millions of new jobs that are necessary in this country.

Obviously, the best engine of growth, the best creator of jobs, is small business, whether it is a subchapter S corporation, a partnership, or a proprietorship.

It is interesting to note, Mr. President, that in the 1980's, when something like 19 to 20 million new jobs were created, they were primarily jobs created in small business. And I might point out they were not just minimum wage jobs. As a whole, they were very, very excellent jobs, involving the computer, high technology and other areas, that paid significantly well. And it was all done, as I say, in the private sector.

So I appreciate the remarks of the distinguished Senator from Utah underlying the importance of this legislation to small business.

AMENDMENT NO. 487

(Purpose: To amend the Internal Revenue Code of 1986 to create real jobs in America through investment and savings incentives, to pay for such incentives by decreasing Federal spending, and for other purposes)

Mr. ROTH. Mr. President, I send to the desk my amendment.

The PRESIDING OFFICER. The clerk will report the amendment of the Senator from Delaware [Mr. ROTH].

The legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH] for himself, Mr. LOTT, Mr. BURNS, Mr. BENNETT,

Mr. SIMPSON, Mr. MURKOWSKI, Mr. DOLE, Mr. COCHRAN, Mr. NICKLES, Mr. MACK, Mr. CRAIG, Mr. HATCH, Mr. WALLOP, Mr. THURMOND, Mr. STEVENS, Mr. HELMS, Mr. COATS, Mr. SMITH, Mr. FAIRCLOTH, and Mr. GREGG proposed an amendment numbered 487.

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

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

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. BYRD. Will the Senator yield briefly?

Mr. ROTH. I am happy to yield to the distinguished chairman.

Mr. BYRD. Mr. President, under the order previously entered was the Senate to go out at this point?

The PRESIDING OFFICER. The Senator is correct.

EXTENDING THE TIME FOR RECESS UNTIL 12:45 P.M.

Mr. BYRD. Mr. President, I ask unanimous consent that the time be extended 15 minutes so that the Senate will recess at the hour of 12:45 instead of 12:30 p.m.

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

The Senator from Delaware.

Mr. ROTH. Mr. President, I would point out that the cosponsors of this legislation, in addition to myself, are Senators LOTT, BURNS, BENNETT, SIMPSON, MURKOWSKI, DOLE, COCHRAN, NICKLES, MACK, CRAIG, HATCH, WALLOP, THURMOND, STEVENS, HELMS, COATS, SMITH, FAIRCLOTH, and GREGG.

Mr. President, I have a number of letters of endorsement. I ask unanimous consent that they be printed in the RECORD.

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

MERRILL LYNCH,
Washington, DC, June 15, 1993.

Hon. WILLIAM V. ROTH, Jr.,
U.S. Senate, Hart Senate Office Building,
Washington, DC.

DEAR SENATOR ROTH: I am writing to endorse your efforts to increase saving and investment.

As you know, the United States has the lowest saving rate of any developed country. This low level of saving and investment means fewer jobs and lower wages for American workers.

Unless we take steps now to encourage more saving and investment, millions of Americans face a bleak future.

Two good places to start would be the Bentsen-Roth Super IRA, which twice passed the House and Senate last year, and your proposal to index capital gains for inflation.

Capital gains relief and restoring IRAs, which a host of academic studies have proven increase personal and national saving, would benefit both the overall U.S. economy and individual Americans.

Sincerely,

BRUCE E. THOMPSON, Jr.,
Vice President.

AMERICAN FARM BUREAU FEDERATION,
Washington, DC, June 15, 1993.

Hon. WILLIAM ROTH,
U.S. Senate,
Washington, DC.

DEAR SENATOR ROTH: Farm Bureau is pleased that you will offer S. 1058, The Real Jobs for America Act of 1993, as an amendment to the spring supplemental appropriations bill.

S. 1058 contains much needed spending restraint and a number of tax provisions that will be beneficial to the economy. These include a provision to index capital gains for inflation after January 1, 1993, and an increase in the annual expensing limit for capital assets from \$10,000 per year to \$25,000 per year, indexed for inflation.

The indexing provision is important to agriculture because inflation often causes large paper gains on the sale of land, which is a farmer's or rancher's principal asset. Taxation of such artificial gain causes a heavy tax burden on a producer. Farm Bureau's preference is to index all gains from date of purchase rather than prospectively from January 1, 1993, but we endorse your efforts to improve upon current law. The increase in the expensing provision is also important to agriculture because it enhances capital cost recovery.

We applaud your efforts and encourage the Senate to vote for your amendment to the supplemental appropriations bill.

Sincerely,

RICHARD W. NEWPHER,
Executive Director.

THE SAVINGS COALITION OF AMERICA,
Washington, DC, June 15, 1993.

Hon. WILLIAM V. ROTH, Jr.,
U.S. Senate, Hart Senate Office Building,
Washington, DC.

DEAR SENATOR ROTH: The Savings Coalition of America, representing millions of America's savers, urges the Senate to approve the Bentsen-Roth Super IRA.

Increased personal saving should be a national priority and the Super IRA proposal will increase personal saving.

The Super IRA will help all Americans save for retirement, first-time home purchases, higher education, and catastrophic medical expenses.

America needs the Super IRA.

Sincerely,

THE SAVINGS COALITION OF AMERICA.

NATIONAL BOARD OF
FUR FARM ORGANIZATIONS,
St. Paul, MN, June 15, 1993.

Hon. WILLIAM ROTH,
U.S. Senate, Hart Senate Office Building,
Washington, DC.

DEAR SENATOR ROTH: The National Board of Fur Farm Organizations strongly supports the eight-point tax relief amendment you and Senator Lott plan to offer tomorrow on the Senate floor. The National Board is the government affairs representative of American fur farmers.

We enthusiastically support all efforts to eliminate the so-called "luxury" taxes passed as part of the 1990 Budget Agreement. The fur excise tax has likely cost the federal government more to collect than it has raised in revenue. Specifically, the fur excise tax has raised just \$1.3 million through the end of 1992. That figure represents just 1.87 percent of the total raised by all the luxury taxes since inception.

The tax does effect consumer perceptions, however, and thus consumer buying habits. Given the tremendous media coverage sur-

rounding "luxury taxes" in 1990, most fur consumers believe they will be socked with an additional 10 percent tax on any fur, even though only furs over \$10,000 are taxed. Thus, the provision has a dampening effect on sales. In addition, taxing furs—while leaving all other higher end apparel untouched—is unfair and discriminatory.

Furthermore, the fur tax poses a special threat to American mink garments. A global oversupply of pelts has depressed fur prices in recent years. However, a recovery in world fur markets may now be underway. If fur prices return to the levels of the mid-1980's, many American mink coats will be priced over \$10,000. This tax is a strong disincentive for consumers to buy American. As a result, the fur tax could stall recovery.

Thank you for your attention to this important issue. We commend you for your efforts to eliminate this unfair, discriminatory, and counterproductive tax. Please let us know if there is anything further we can do to support your effort.

Sincerely,

DAN FOLLETT,
President.

AMERICAN AUTOMOTIVE
LEASING ASSOCIATION,
Washington, DC, June 15, 1993.

Hon. WILLIAM V. ROTH, Jr.,
U.S. Senate, Hart Senate Office Building,
Washington, DC.

DEAR SENATOR: We understand that you and Senator Lott intend to offer an amendment which would greatly improve depreciation under the alternative minimum tax. Specifically, we understand that the amendment includes a provision which would change the acceleration method under the AMT from 150 percent to 200 percent.

This change would be of great benefit to our members who lease and manage the majority of sales and service vehicles used by businesses throughout this country, a market exceeding three million vehicles.

It is important to emphasize that, for business-use automobiles, your amendment would merely correct an injustice under present law by allowing AMT depreciation deductions to equal real economic depreciation.

It is important to our economy that any AMT depreciation reform apply to business-use automobiles. Unlike some other recent proposals, your amendment would provide a real incentive to the investment of new vehicles. We are pleased to support your efforts.

Sincerely,

MARY T. TAVENNER,
Executive Director.

Mr. ROTH. Mr. President, I would like to read one or two of these letters. One comes from the American Farm Bureau Federation. It is dated June 15, 1993. It reads:

DEAR SENATOR ROTH: Farm Bureau is pleased that you will offer S. 1058, The Real Jobs for America Act of 1993, as an amendment to the spring supplemental appropriations bill.

S. 1058 contains much needed spending restraint and a number of tax provisions that will be beneficial to the economy. These include a provision to index capital gains for inflation after January 1, 1993, and an increase in the annual expensing limit for capital assets from \$10,000 per year to \$25,000 per year, indexed for inflation.

The indexing provision is important to agriculture because inflation often causes large paper gains on the sale of land, which is a

farmer's or rancher's principal asset. Taxation of such artificial gain causes a heavy tax burden on a producer. Farm Bureau's preference is to index all gains from date of purchase rather than prospectively from January 1, 1993, but we endorse your efforts to improve upon current law. The increase in the expensing provision is also important to agriculture because it enhances capital cost recovery.

We applaud your efforts and encourage the Senate to vote for your amendment to the supplemental appropriations bill.

As I pointed out, Mr. President, this letter is from the American Farm Bureau Federation.

I would also like to read a letter that we received from the Savings Coalition. It reads:

DEAR SENATOR ROTH: The Savings Coalition of America, representing millions of Americas' savers, urges the Senate to approve the Bentsen-Roth Super IRA.

Increased personal saving should be a national priority and the Super IRA proposal will increase personal saving.

The Super IRA will help all Americans save for retirement, first-time home purchases, higher education, and catastrophic medical expenses.

America needs the Super IRA.

Finally, we have a letter from Merrill Lynch, which says:

DEAR SENATOR ROTH: I am writing to endorse your efforts to increase saving and investment.

As you know, the United States has the lowest saving rate of any developed country. This low level of saving and investment means fewer jobs and lower wages for American workers.

Unless we take steps now to encourage more saving and investment, millions of Americans face a bleak future.

Two good places to start would be the Bentsen-Roth Super IRA, which twice passed the House and Senate last year, and your proposal to index capital gains for inflation.

Capital gains relief and restoring IRAs, which a host of academic studies have proven increase personal and national saving, would benefit both the overall U.S. economy and individual Americans.

Mr. President, I see the distinguished Republican leader here so I am happy to yield to him at this time.

The PRESIDING OFFICER. The Chair recognizes the Republican leader.

REMEMBERING PAT NIXON

Mr. DOLE. Mr. President, those of us privileged to serve in this Chamber know that being the spouse of an elected official is one of the toughest jobs around. Canceled vacations, late night phone calls, and intense media and public scrutiny are just part of the sacrifices they are asked to make.

Few people in history made this sacrifice with more grace and dignity than Pat Nixon.

I join with all the members of this Chamber, and with all Americans, in extending our deepest sympathies to President Nixon, Tricia, Julie, and the entire Nixon family.

Born in a small Nevada mining town, Pat Nixon exhibited early in her life

the courage and perseverance needed to withstand the turbulent world of politics.

As a 12-year-old, she nursed her mother during her final days in a battle with cancer. And as a 17-year-old, she faced the death of her father.

Through a series of jobs, Pat Nixon earned and saved enough money to put herself through college. In 1937, she graduated from the University of Southern California, and became a teacher in nearby Whittier.

It was there that she would meet a young lawyer named Richard Nixon, and they were married on June 21, 1940—53 years ago yesterday.

In 1946, Richard Nixon began his remarkable political career that would take him from the House of Representatives, to the U.S. Senate to the Vice Presidency, and to the White House.

And through it all—through victories and defeats, through the highest mountaintops and the lowest valleys—Pat was always at his side.

She was there in Venezuela in 1958 when their lives were threatened by a rock-throwing mob. And she was there in 1972, when President Nixon made historic visits to China and Russia, and Pat won the affection and admiration of men and women around the world, just as she had done with the American people.

During her years as First Lady, she devoted her attention to many worthwhile causes—including educational programs, community self-help undertakings, and most especially, voluntarism.

But no doubt about it—her No. 1 cause was her family and her husband. And in the most trying times, when Richard Nixon most needed her support and strength, she never wavered.

Just as Pat Nixon never wavered for her family, she never wavered for America. Elizabeth joins with me in letting the Nixons know that they are in our thoughts and prayers.

PAT NIXON

Mr. BENNETT. Mr. President, I thank the Republican leader for his remarks on behalf of all of us. I wish to join in responding in similar fashion.

While I did not serve with President Nixon, as some in this Chamber did, I was here in Washington when the Nixons were very much in evidence here. My father and President Nixon were elected to the U.S. Senate in the election of 1950 and served here as colleagues prior to Mr. Nixon's ascension to the Vice Presidency. And in that process my mother and Pat Nixon became warm and close friends. I speak on her behalf as well as my father's—my father and mother are still living, ages 94 and 93, respectively—and know that they would ask me to take this occasion to express for them their sorrow at the passing of Mrs. Nixon, and

the great affection that they have for her as an individual as well as for the Nixon family.

So, on their behalf, as well as for myself and for the people of Utah, I take the floor to join the distinguished Republican leader in expressing our sympathy and condolences to the Nixon family and our great admiration for the kind of woman and the kind of American that Pat Nixon was.

The PRESIDING OFFICER (Mrs. FEINSTEIN). The Senator from Delaware.

PAT NIXON

Mr. ROTH. Madam President, I, too, want to join my distinguished colleague in sending my condolences to the Nixon family. I had the good fortune to know Pat Nixon down through the years, having served in the Senate at the time Mr. Nixon was President of the United States. She was, indeed, a gracious lady, who lived up to all the expectations one has in that important responsibility. She was a wonderful mother and wife, and it is a grievous blow I know to President Nixon. But I do want the former President to know that my wife and I join my colleagues in sending our deepest condolences and regrets.

SUPPLEMENTAL APPROPRIATIONS ACT OF 1993

The Senate continued with the consideration of the bill.

UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD. Madam President, I ask unanimous consent that at 2:15 p.m. today, the majority and minority leaders be recognized to use their leader time; that upon the conclusion of their remarks, there be 20 minutes remaining for debate on the Roth amendment, No. 487, with no second-degree amendment in order thereto; provided further that the time be equally divided and controlled in the usual form; that when all time is used or yielded back, the Senate vote on or in relation to the Roth amendment.

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

Mr. ROTH. Madam President, I am happy to yield back the remainder of time before lunch, if that is satisfactory to the chairman.

RECESS

Mr. BYRD. Madam President, I know of no other Senator who wishes to speak at this moment. I ask unanimous consent that the Senate now stand in recess, under the previous order.

Thereupon, at 12:41 p.m., the Senate recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. CONRAD].

Mr. DOLE. Mr. President, is leaders' time reserved?

The PRESIDING OFFICER. It is.

LIBERAL MEDIA IS CHEER-LEADING AGAIN FOR CLINTON PLAN

Mr. DOLE. Mr. President, Republicans are never surprised when the Washington Post goes all out to help their liberal friends in the White House and on Capitol Hill, but today's lead editorial has quickly earned a place in the Post's Cheerleading Hall of Fame.

We know the liberal news media are swooning over President Clinton's economic plan, falling for the administration's line that its plan is a \$500 billion deficit reduction package balanced between tax increases and spending cuts.

Now the Post's editorial crew is getting into the act, gushing over the vision of massive new taxes, and a Democrat-controlled Congress ramming through every liberal's dream agenda—big taxes, big spending, and big Government mandates.

But objective analysts will agree that the administration's deficit reduction numbers just do not add up, unless you fall victim to the slick magic act the White House is performing these days to sell its terrible tax package.

Let me first tell you where the Post and the White House have it right—this is a massive tax package. It is a record \$271 billion in gross tax increases during the next 5 years.

There is no argument that the plan also includes \$15 billion in higher user fees, higher fees right out of the pockets of taxpayers for Government services.

And it is true that the President's plan does call for \$83 billion in new spending cuts. Now, add up the net tax and spending figures and you get \$347 billion in potential deficit reduction during the next 5 years: \$264 billion in higher taxes and fees, and \$83 billion in cuts.

But here is where the real math ends and the smoke machine takes over.

And, boy, they must have a real smoke machine at the White House and at the Washington Post. They probably use the same one, come to think of it.

The President, the Washington Post, and all of their liberal allies count the following items as spending cuts:

Seventy billion dollars in promised spending cuts, cuts that are supposed to magically appear in the future, beginning next year. The trouble is, the bill right now contains no enforcement mechanism to ensure that these cuts will ever occur. Not surprisingly, the Post is not bothered by this tiny detail—if the Democrat-controlled Congress is promising, the Washington Post is buying. But most Americans don't have that kind of partisan faith. They know that when Congress is taxing you now, and promising spending

cuts later—much later—it is time to hold on to your wallets and stop dreaming about Congress doing something responsible for change.

Now, the Washington Post may not want to hear all this from BOB DOLE, but perhaps it would listen to the distinguished chairman of the Senate Finance Committee. During our appearance this weekend on CBS' Sunday talk show "Face the Nation," Senator PAT MOYNIHAN said, and I quote, "BOB DOLE was telling the absolute truth. * * * We haven't made the spending cuts yet * * * and if we don't produce them, as the budget resolution says we must, we will have failed, and he will have been proven right."

The Clinton administration is also relying on \$44 billion in spending cuts that were put into law by Congress and President Bush 3 years ago.

That is 3 years ago, and they are going to count them again, \$44 billion.

These 3-year-old cuts are now magically new spending cuts, and are being counted as new deficit reducers. Perhaps the Post editorial board isn't reading its own news stories—in a front-page story today, Post news writers admit that this is "an assertion with which Congressional Budget Office officials generally concur."

In other words, everybody knows this \$44 billion is being counted a second time.

Next, we have \$55 billion in interest savings as a spending cut. But there is a clear difference between cutting a Government program, raising taxes or fees, and cutting interest costs. Laws must change for spending cuts or tax increases to occur. Interest savings are impacted by a lot of things other than congressional and Presidential action, including interest rates, inflation and the general performance of the economy.

President Clinton has made the Congressional Budget Office [CBO] the official budget scorekeeper for the Federal Government. When CBO analyzes a comprehensive budget proposal, they do not count interest savings as a spending cut—neither did the Reagan or Bush administrations. In all three cases, interest savings were included in total deficit reduction projections, but they were never classified as spending cuts.

So, these are the facts. Of course, if you are true liberal believers like the editorial crew at the Post, the facts never get in the way of partisan cheerleading.

The bottom line on all this, however, is not just numbers, or budget mumbo jumbo. That is the game the White House wants us to play, with all this number talk fogging up what is really going on here. So blow away the smoke, and take a look—it is classic tax and spend Government running rampant, brought to you by a Democrat Congress, a Democrat White House

and their liberal cheerleaders in the media. That is why the White House has gone on a new media blitz, to throw up a smoke screen to obscure the facts about its world-record-breaking tax package.

But when all the smoke clears, the bottom line is still a fundamental difference between the two parties: the Democrats, as defined by President Clinton's huge tax and spend plan, see big taxes, big mandates and big Government as the solutions to every single problem in America;

Republicans, meanwhile, have a better idea: cut spending, cut Federal red-tape, and cut out the liberal assault on the free enterprise system, the greatest jobs-producing machine in the world when it is not breaking down from taxes and mandates.

We now know from all the latest polls, most Americans do not like the Clinton plan. The more they find out about it, the less they like it. It is no wonder the President's ratings are dropping in direct relation to his tax plan's increasing unpopularity. Record-setting tax increases and a big comeback by the tax-and-spend Democrats is not the kind of change Americans thought they were voting for this past November.

So, if you like big taxes and tiny spending cuts, you will love the Clinton plan. It is not \$500 billion in deficit reduction, it is not the magic wand the liberal editorial writers at the Washington Post say it is, and it is definitely not the tonic for an economy that needs a helping hand, not another low blow from Washington.

Make no mistake, Senate Republicans will have amendments, and we will have alternatives to the Clinton tax offensive.

We introduced an alternative economic plan in March in response to the President's plan. In fact, we even attracted some Democrat votes to our cut-spending-first approach to deficit reduction.

Now, the liberal cheerleaders in the media may not report it, but we have been there, demanding real change and real alternatives to President Clinton's tax and spend agenda. We will do it again this week. The American people will be watching. And they will be watching the players—they will not be listening to the cheerleaders.

Mr. President, I just say time after time after time we have suggested to President Clinton that we sit down together and try to work out a deficit reduction package. Our pleas have gone unnoticed. Senator PACKWOOD tried to reach the President last week to make the same offer again, and the call was not returned.

We agree with President Clinton. We want to reduce the deficit. Everybody in America wants to reduce the deficit. We just think we have a better idea, and we do not do it through taxing and

spending and taxing and spending and taxing and spending.

So I would say that the Washington Post—as they said BOB DOLE should know better, the Washington Post should know better. I hope they go back and take a look at the numbers. If they can tell me how they get a \$500 billion deficit reduction package out of a \$347 deficit reduction package, then I will make another speech on the floor saying, well, maybe I made a mistake.

But there is no mistake about it. This is a big, big, big tax package. All the radio shows, all the hype coming from the White House is not going to change the facts. The American people do not want more taxes. They want to cut spending first.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

SUPPLEMENTAL APPROPRIATIONS ACT OF 1993

The Senate continued with the consideration of the bill.

Mr. SIMPSON. Mr. President, I ask unanimous consent that I might proceed for 2 minutes with relation to the Roth-Lott amendment.

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

Mr. SIMPSON. Mr. President, I do want to support this amendment. I have come to know Senator ROTH; I have worked with him for years. I met him when I first came to the U.S. Senate. There is no more progressive and sincere man when it comes to budgeting, fiscal matters, and the deficit. I commend him here.

Many say often in the course of the debate, well, what do you have in mind? What Senators ROTH and LOTT have in mind are jobs, hiring, and growth in the economy. We will not see any hope for deficit reduction if the economy slows. Most of us on both sides of the aisle know that one.

We will not get the job done if we do so with Government spending. We need an approach like the one in this legislation, a tax credit for new hiring.

We also repeal the failed luxury tax which looked like a sock-the-rich special, but instead the only victims were the former employees of luxury-tax-targeted industries who have now lost their job.

I commend Senator ROTH. This legislation is paid for specifically by reduction in Government administrative expenses and by trimming the amount of Federal employment, and it certainly should not be the case. It would be un-

fortunate indeed if efforts in job creation were to stall simply because we are unwilling to trim our own administrative overhead.

Mr. President, I support the amendment offered by my colleagues, Senators ROTH and LOTT. Furthermore, I am pleased to join the Republican leader as a cosponsor of the amendment.

Mr. President, tomorrow we will begin consideration of a budget reconciliation bill which aims to reduce our deficit by \$347 billion over 5 years. This budget reconciliation bill will likely pass the Senate in some form that is similar to its current one.

I do not think there is any question that many of the provisions of that legislation would impose greater austerity upon our economy. Individuals would be asked to pay higher taxes. Small businesses who file as individuals would see their taxes increased. The wage base cap for health insurance would be eliminated. Transportation fuels would be taxed at a higher rate.

All of these provisions would have a detrimental effect on new hiring, and will eliminate existing jobs.

Mr. President, we will only see the hoped-for deficit reduction if we enable our economy to grow and to generate more revenue. If the economy slows, we will not see the hoped-for deficit reduction.

The amendment before us, although an amendment to the supplemental appropriations bill, would lessen the worst effects of the President's budget, while not in any way interfering with the best ones. It is fully paid for—it will not add to the deficit.

It will, on the other hand, help our economy to grow and to generate tax revenue to reduce the deficit. It will provide for desperately-needed job creation.

If we want to create permanent, productive jobs, we will not do so with Government spending. We need an approach like the one contained in this legislation—a tax credit for new hiring. We need to make it easier for employers to take on new hires, for we certainly know of the increasing tax and regulatory burdens that are about to be placed on them. If we are ever going to grow our way out of this deficit—and that is the only way we can eliminate it—then the private sector has to be allowed to drive that growth.

This legislation would also repeal the failed luxury tax, which as we all know was an attempt to make the 1990 budget agreement appear more progressive by designing a tax on the basis of soaking the rich instead of productive tax policy. Once again, that approach has failed. The only victims of this tax have been the former employees of the luxury tax's targeted industries, who have been thrown out of work.

I would also point out to my colleagues that this legislation is paid for with measures that the public is clam-

oring for in any case. The legislation is paid for by reducing the size of Government administrative expenses, and by trimming the amount of Federal employment. Surely those are measures we can afford to take in our own house to help the economy to get moving. It would be an unfortunate thing indeed if efforts at job-creation were to stall simply because we were unwilling to trim our own administrative overhead.

I strongly urge the adoption of the pending amendment.

The PRESIDING OFFICER. The Republican leader.

Mr. DOLE. Mr. President, is the pending amendment the Roth-Lott amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. DOLE. Mr. President, let me join my colleague from Wyoming in support of this amendment.

What Senators LOTT and ROTH are doing is offering us an alternative, and I think it is a good alternative. They are doing it without adding to the deficit, which is very important around this place. I think we are going to see more and more focus on the amendments that do not add to the deficit.

Mr. President, during the debate on the stimulus package, Republicans were challenged to put together their own jobs creation package. Well today my colleagues, Senators ROTH and LOTT, are offering an alternative approach that will create jobs without adding to the deficit. This is exactly the kind of plan that the American people have been waiting for.

It is probably about the kind of plan the American people have been waiting for, because instead of creating short-term Government jobs this amendment will create long-term jobs in the private sector; not the public sector, but the private sector. How do they do it? They do it by increasing the funds available for business investment, by repealing tax penalties on industry, and by providing incentives for businesses to hire new employees.

We know that reducing the cost of capital through the indexation of capital gains or increase in expense deduction will produce a positive effect on the jobs market. Encouraging investment in business and encouraging private business to hire new employees is the best way to create real, private-sector jobs. That is where the action is—not in the public sector; it is in the private sector.

One item in this amendment that is very important to my State of Kansas is the repeal of the luxury tax. Republicans recognize that having a job is not a luxury. It is high time we repeal the so-called luxury tax on private airplanes, boats, cars, jewelry, and furs.

The luxury tax was supposed to result in a big windfall of lots of money, lots of greenbacks. It turned out to be an avalanche of pink slips. And the

pink slips did not go to the people who bought the boats or bought the airplanes. They went to the workers who built the airplanes and built the boats. Again, it was another misguided liberal idea going after the rich, so they fired at the rich and they hit the working people as they do so often.

The folks on the assembly line at Beech, Cessna, and Learjet in Wichita, KS, will tell you—this tax may have been aimed at the high-flying fat cats but it landed on the little guy.

I have spent some time recently traveling around a bit talking to real Americans up and down Main Street. If you learn, and if you listen—and if you do not listen you do not learn anything—if you listen, they tell you three words, “cut spending first.”

This package by Senators ROTH and LOTT meets the American taxpayers' bottom line. It cuts taxes to create jobs and is paid for with reductions in wasteful Government spending—not new deficit spending.

Some of the spending cuts in this plan include eliminating pork in the highway and mass transit programs, stopping duplicate Medicare payments, slashing congressional spending, cutting foreign aid spending, and reducing the Federal bureaucracy. And believe me if you took a poll and asked the American people what they would like to do, all four of those items would be high on the list.

I fully support the approach that the Roth-Lott amendment takes and hope that our Democrat colleagues will join us in creating real jobs for hard-working Americans.

I commend my colleagues.

Mr. DOMENICI. Mr. President, will the Senator yield a couple minutes on his time?

Mr. DOLE. I yield the floor.

I guess my leadership time expired.

The PRESIDING OFFICER. The Chair will inform the Republican leader we just went on the time for the Roth amendment, taking it off that side, and we will give the leader his time when he returns.

Mr. DOLE. I thank the Chair.

Mr. ROTH. Mr. President, I am not clear what the parliamentary situation is at the present time.

The PRESIDING OFFICER. We have gone to the Roth amendment, and so the Senator from Delaware will be free to speak on this amendment if he so chooses.

Mr. ROTH. I am happy to yield 2 minutes to our distinguished Senator from New Mexico.

Mr. DOMENICI. Mr. President, I rise in support of this amendment. I do so because this is one of the few ways that Republicans are going to have in the next 3 or 4 days, and probably in the rest of the year, to make a case for this jobless economy and what we ought to do to help.

This amendment does the right things. Contrary to the Democratic

proposal, it does not increase capital gains. It indexes them. I do not know many people who do not recommend that to be a very positive thing for jobs in America.

As to the expensing of deductions, \$25,000 was the suggestion to the President and of the U.S. House. It is a good provision, and it is not in this budget bill that is before us. It will increase jobs.

Alternative minimum tax changes, desperately needed and recommended by the President, are not in the package.

As to the passive loss rule, we know that in the real estate markets many of the buildings that are empty are the result of denying passive losses. This will put that back in to some extent and generate more liquidity in our banks which is desperately needed for businesses.

There is an income tax credit for jobs. It obviously is needed, because small business America is frightened to death about the cost of health care, about new taxes and new regulations, and they are not going to add new jobs.

The only argument I would have with the amendment, and if it were to pass I would propose a second-degree amendment not to cut the legal services fund, is I would propose something else. But it is in the amendment. I support it in its entirety with that one exception which I think we could alter later.

This is a jobs producing provision, not just a deficit reduction provision or proposal which may not create any jobs at all, especially if it is principally new taxes.

I thank the Senator for yielding.

Mr. ROTH. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time not be charged to either side.

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

The Clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. BYRD. Mr. President, this amendment is certainly arguably unconstitutional. The Constitution clearly states that “All bills for raising revenue shall originate in the House of Representatives * * *.” Although the bill before the Senate did originate in the House, it is an appropriation bill, not a revenue bill. If this amendment were to be adopted, the bill would, almost certainly, be swiftly returned to the Senate by the other body.

The amendment proposes to use cuts in discretionary spending to offset cuts in taxes. In this regard, it violates both the letter and spirit of the 1990 budget agreement.

Setting aside all constitutional questions and procedural points or order, the amendment would be more appropriately considered as part of the budget reconciliation bill the Senate is likely to take up later in the week, as opposed to being considered on this supplemental appropriation bill.

Of the amendment's seven tax incentives, four—increase in the section 179 expensing deduction, alternative minimum tax relief, passive loss rule changes, and luxury tax repeal—are included, with some modification, in the reconciliation package approved by the Senate Finance Committee last Friday and which, as I say, will be taken up soon in the Senate.

The bill is to be reported by the Senate Budget Committee shortly, I believe.

At a time when many hard choices have been, and are being, made in an effort to reduce the Federal deficit, this amendment would most likely cause the deficit to increase in the long run.

The capital gains and individual retirement account [IRA] provisions of the amendment will cost the Federal Government an estimated \$9.5 billion in lost revenue in fiscal year 1998, and will lead to even larger revenue losses in the years ahead. At the same time, one of the amendment's proposed spending cuts—the elimination of the lump-sum Federal retirement payments—will eventually turn into a spending increase.

While the amendment may not increase the deficit in the near term, as the President's proposed jobs bill would have done, it will, in sharp contrast to the President's proposal, have a seriously adverse impact on the deficit in the long run.

Given the amendment's likely near- and long-term effects on the Federal budget deficit, the positive economic/job claims made by the amendment's proponents are highly questionable.

In the short run, the amendment is unlikely to have any real economic effect given the offsetting nature of its tax and spending cuts. In fact, it is possible that the amendment's fiscal policy changes could have a contractionary effect, as opposed to a stimulative one.

In the long run, to the extent that the revenue losses that will flow from the amendment begin to exceed more and more the outlays savings, thus increasing the Federal deficit and reducing net national savings and investment, the amendment is likely to have a negative effect on economic growth.

In this regard, the amendment stands, again, in contrast to the President's jobs bill, which would have had a stimulative effect on the economy in the short run, but would have had no adverse effect on the deficit, and thus the economy, in the long run.

The amendment's indexation of capital gains only would discriminate

against small savers and would likely create new tax shelter incentives and opportunities.

While the amendment's proponents claim it is unfair to tax gains from inflation, indexing profits from asset sales, but not indexing interest on savings accounts unfairly discriminates against small savers.

By indexing capital gains, without simultaneously indexing borrowing costs, the amendment would create a massive new tax loophole likely to fuel a resurgence in tax shelters.

In summary, the amendment offered by the Senator from Delaware would violate both the letter and spirit of the 1990 budget agreement.

It would deal with tax issues that are addressed in the reconciliation bill the Senate is likely to turn to tomorrow.

It would almost certainly increase the budget deficit in the long run.

It would likely have no positive impact on the economy or job creation.

It would discriminate against small savers, and, at the same time, create new tax loopholes and tax shelters for investors wealthy enough to take advantage of them.

And, last, but not least, it disregards the constitutional requirements regarding the origination of revenue bills.

In short, this amendment reflects bad fiscal policy, bad economic policy, and bad tax policy. The amendment should be rejected.

At the appropriate time, Mr. President, I shall raise a point of order against the amendment.

I withhold the remainder of my time. The PRESIDING OFFICER. Who yields time?

Mr. ROTH. Mr. President, I yield 3 minutes to the distinguished Senator from Mississippi.

Mr. LOTT. I thank the distinguished Senator from Delaware once again for yielding this time.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. LOTT. Mr. President, I do not want to say I appreciate the work that has been done on the supplemental appropriations bill by the Appropriations Committee. I do not always feel that supplemental appropriations are needed, but frankly I think, in this case, they have come up with a good bill.

The feature I like the most is that the supplemental is paid for. The committee should be commended for coming up with sufficient offsets.

But the bill falls short in one area—job growth. I think we must address this question. We need additional new jobs in our economy. It has been estimated that our package would create an additional 800,000 jobs over 5 years. We can argue over numbers, but I think there is universal agreement, when you look at the pieces collectively, there will be job creation.

I want to focus on just one provision in particular, and that is the targeted

jobs tax credit, a 13.85-percent jobs income tax credit that is really only good for 6 months and only for new hires.

The budgetary impact is high in the first year and drops way off in the second year, and has no impact in the last 3 years.

I firmly believe this feature of the amendment can really help businesses, particularly small businesses. If it is a close call on an employment decision, this 13.85-percent jobs income tax credit would make a positive and real difference in hiring that new person. It is estimated that this provision alone could create 50,000 new jobs.

You can argue about whether this is a jobless recovery or not, but the fact of the matter is unemployment is still higher than it should be. Clearly, our goal with this provision is to provide a way for growth to occur in the economy and for the creation of jobs. Even President Clinton has spoken favorably about the income tax credit.

Coupled with the expensing provision, this could certainly help small business. Right now, a lot of small businesses are frozen in place. They are not getting new equipment which creates new jobs because they do not know what to expect. They do not know whether our economy will grow or contract. They are looking for signals and incentives.

So that was our purpose for offering this package. The reason we offered it to this supplemental appropriations is because it would compliment this stimulus package. In fact, it would put a capital "S" on stimulus.

Also, I do want to again emphasize, while there is a list of cuts involved here, we pay for all the tax incentives we offered. The cuts are not easy. They never are. And, our offsets not only pay for our tax incentives entirely over the 5-year period, but there is a modest deficit reduction. An added bonus.

This package has three components that we believe Americans really want: It would add to economic growth. It would create private sector jobs we would not have otherwise. It would not add to the Federal deficit.

I urge my colleagues to look this package over very closely. I think it has a lot of attractive features that many of us have already voted for in the past, such as the Super IRA, the so-called Bentsen-Roth IRA. I believe the individual features can all successfully withstand your critical review.

I thank the Senator from Delaware once again for what he has done here and for yielding me this time.

I urge my colleagues to look seriously at this jobs creation package.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ROTH. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 3 minutes.

Mr. ROTH. Mr. President, I yield such time to myself as I may use.

Mr. President, in a few short minutes the Senate will have the opportunity to vote on an amendment to spur private sector economic growth, job creation, and private savings. This amendment is not a substitute to the underlying bill, but an addition to it. A very important addition, I should add.

During the next several days, the Senate will consider the budget reconciliation measure. At that time, the Senate will be voting on the largest tax increase in our Nation's history. One need only reflect back to 1990 to understand the impact these new taxes are going to have on our economy. The tax increases in the 1990 budget agreement hurt economic growth, and I am concerned that the same thing is going to happen again.

Americans are concerned that the President's program will hurt job growth. Businesses are concerned about the increasing costs of hiring new employees, and we are all concerned about the future of our Nation's ability to compete. This amendment is designed to meet these concerns, and meet the economic challenges which confront us.

This amendment contains tax incentives for economic growth and private savings that have broad bipartisan support. These tax changes offer the best opportunity we have to create an environment for economic growth. Our plan promises more than 800,000 new jobs based on estimates by the minority staff of the Joint Economic Committee and it is fully paid for by cuts in spending. In fact, this proposal has \$12 billion more in spending cuts than in tax incentives, all of which will be devoted to reducing the deficit.

In addition, this amendment offers us a choice. The President has called for tax increases. Our amendment would cut taxes by over \$45 billion. Second, the President wants to increase the size of Government. This amendment would cut the size of Government. Third, the President's program will stifle economic growth and result in as many as 1.2 million lost jobs. This amendment would spur economic growth and create more than 800,000 jobs.

This amendment presents the opportunity to turn the Nation around. We believe that this package of tax incentives will encourage growth and jobs. First, we advocate two provisions to reduce the cost of capital and tax penalties on investment. Capital gains would be indexed for inflation beginning after January 1, 1993, to remove the unfair taxation caused by inflation.

Second, the alternative minimum tax would be adjusted to encourage capital-intensive industries to invest and modernize their plants and equipment. Next, this plan will go a long way toward strengthening American small

business—quite literally the engine of American enterprise. Our proposal allows small businesses to expense annual purchases of capital assets up to \$25,000—indexed for inflation.

Mr. BYRD. Mr. President, does the Senator wish more time? How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 3 minutes and 18 seconds.

Mr. BYRD. I will be glad to yield it to the Senator if he would like.

Mr. ROTH. I appreciate the courtesy of the distinguished manager. I will accept.

Mr. BYRD. All right.

Mr. ROTH. Mr. President, this is an increase over the current law limit of \$10,000, and it is something that small business has been needing for years. Needless to say, over the years, the current law limiting this expensing amount to \$10,000 has been diminished by inflation. We offer a much needed adjustment. Our proposal first increases the amount to \$25,000, and then it increases it every year as prices go up. This is much better than the limited increase to \$15,000 in the Finance Committee reconciliation recommendations.

As my distinguished colleague from Utah, Senator BENNETT, pointed out this morning, the key to economic growth is through small business. This amendment is designed to spur employment in small business. Together with the expensing and capital gains provision, this amendment provides a tax credit for new hires, to provide incentives for small business to hire that extra employee, two, or three.

In addition, this plan aims at encouraging Americans to save by removing tax penalties on savings. Americans have to plan for the future, and the IRA is a proven success. What we offer is the Bentsen-Roth super-IRA with two savings options that would be allowed for all taxpayers, limited to \$2,000.

Mr. President, I do not intend to go into all the rest of the details of the amendment in the limited time remaining. They were discussed earlier and are available in the RECORD. But I do want to be perfectly clear, this amendment is fully paid for through spending cuts.

I am sure every Member in this Chamber favors getting the economy back on track. Every Member supports job growth and a healthy economy. This is an opportunity for Members to express themselves in favor of policies that promote these goals. I encourage all Members of the Senate to support this program. It is good. It is right. And it is necessary.

Mr. BYRD. Mr. President, has all time expired?

The PRESIDING OFFICER. All time has expired.

Mr. BYRD. Mr. President, under section 311(a) of the Congressional Budget

Act of 1974, as amended, it is not in order to consider an amendment that would cause the revenue floor for fiscal year 1993 to be breached. The pending amendment would lose more than \$535 million in revenues, the amount of which revenues are currently above the fiscal year 1993 revenue floor.

Therefore, I make a point of order under section 311(a) of the Budget Act against the amendment.

Mr. ROTH. Mr. President, I move to waive the point of order and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the motion of the Senator from Delaware [Mr. ROTH] to waive section 311(a) of the Budget Act for the consideration of amendment No. 487 to H.R. 2118.

The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Washington [Mrs. MURRAY] is absent because of illness.

I further announce that, if present and voting, the Senator from Washington [Mrs. MURRAY] would vote nay.

Mr. SIMPSON. I announce that the Senator from Pennsylvania [Mr. SPECTER] is absent due to illness.

The PRESIDING OFFICER (Mr. MATHEWS). Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted, yeas 39, nays 59, as follows:

[Rollcall Vote No. 160 Leg.]

YEAS—39

Bennett	Durenberger	McCain
Bond	Faircloth	McConnell
Brown	Gramm	Murkowski
Burns	Grassley	Nickles
Coats	Gregg	Nunn
Cohen	Hatch	Pressler
Coverdell	Helms	Roth
Craig	Hutchison	Shelby
D'Amato	Kempthorne	Simpson
Danforth	Lieberman	Smith
DeConcini	Lott	Thurmond
Dole	Lugar	Wallop
Domenici	Mack	Warner

NAYS—59

Akaka	Feinstein	Mathews
Baucus	Ford	Metzenbaum
Biden	Glenn	Mikulski
Bingaman	Gorton	Mitchell
Boren	Graham	Moseley-Braun
Boxer	Harkin	Moynihan
Bradley	Hatfield	Packwood
Breaux	Heflin	Pell
Bryan	Hollings	Pryor
Bumpers	Inouye	Reid
Byrd	Jeffords	Riegle
Campbell	Johnston	Robb
Chafee	Kassebaum	Rockefeller
Cochran	Kennedy	Sarbanes
Conrad	Kerrey	Sasser
Daschle	Kerry	Simon
Dodd	Kohl	Stevens
Dorgan	Lautenberg	Wellstone
Exon	Leahy	Wofford
Feingold	Levin	

NOT VOTING—2

Murray Specter

The PRESIDING OFFICER. The yeas are 39, the nays are 59. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

The adoption and enactment into law of the Roth amendment No. 487 would cause revenues for fiscal year 1993 to fall below the level established in the budget resolution by more than \$535 million in violation of section 311 of the Budget Act. The point of order is sustained; the amendment falls.

The Senator from West Virginia.

Mr. BYRD. I thank the Chair.

Are there Senators who have their names on the list of amendments who have decided over the weekend not to call up their amendments? If there are, the two managers need to know.

Mr. PRESSLER. Mr. President, I will be offering my amendment, but I will be very brief. I will be offering my amendment. I hope I am on the list. I will be very brief. I will not take much time. I may need a rollcall vote if it is not accepted.

Mr. BYRD. Very well.

Mr. DOMENICI. Mr. President, might I just indicate I have an amendment with Senator BINGAMAN and others. I believe we are going to be able to work that out. We should not take much time under the worst of events, but we need to still pursue that one so I wanted the Senator to know that.

Mr. BYRD. All right. If Senators would agree to have voice votes on amendments, we will save the Senate's time and will also leave time for other Senators whose names are on the list to call up amendments. I yield the floor.

Mr. MCCAIN. Mr. President, I want to express my appreciation to my good friend, Senator INOUE, and the Appropriations Committee, for their assistance in addressing the issue of indemnifying purchasers of closed military facilities from hazardous waste liability. This is an issue that I have been working on for the past 2 years, and I am pleased that the solution I have been seeking during this time has been incorporated into the Supplemental Appropriations Act.

By way of explanation, Congress previously expressed its intentions on this issue during consideration of the Defense authorization bill last year. At that time, I offered an amendment to the bill which indemnified all purchasers of military base property from hazardous waste liability. This amendment passed, as did the authorization bill.

Shortly thereafter, however, an amendment was added to the Defense appropriations bill which also dealt with the indemnification issue. This amendment specifically indemnified States, their political subdivision or persons who lease the property from DOD or the State.

Although it is my view, which I have repeatedly expressed to the DOD, that the language in the authorization bill is the law of the land, especially since it was the most recent legislation signed into law, the DOD has taken the position that the two measures conflict and should be blended together. In doing so, they have established a policy whereby each transfer of property must be reviewed by the Office of the Secretary of Defense.

Unfortunately, the position taken by the DOD has simply served to confuse the issue and considerably delay the base closure process, as has been acknowledged by the Deputy Under Secretary for Environmental Security.

Prospective purchasers are understandably reluctant to acquire base property if they could be held liable for hazardous waste cleanup costs for which they were not responsible.

By the same token, DOD is justified in its concern over indemnifying lessees responsible for environmental problems. This is entirely inappropriate public policy and will simply serve to increase cleanup costs for the DOD and ultimately, the American taxpayer.

I am pleased that we have taken action to resolve the confusion created by last year's appropriations bill and allow the closure process to continue in a timely and orderly fashion.

Mr. President, the amendment of the Supplemental Appropriations Act will simply strike the contradictory language from last years appropriations bill, thereby restoring the language from the authorization bill. It will allow the DOD to proceed with the base disposal process with a clear mandate from Congress.

Adjustment to a base closure is a difficult and traumatic process for local economies which have grown dependent on the employment and economic activity provided by defense installations.

We have a Federal obligation to help facilitate a safe, timely transfer of base property to other productive uses. We cannot possibly achieve that goal if those who would put that property to use must risk everything in the process.

Let's do what's right, ensure that the Federal Government will defend and indemnify States and private employers who are sued over pollution caused by Federal activities.

Again, I am pleased that my colleagues have adopted this vital amendment.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

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

The PRESIDING OFFICER. The clerk will report the amendment.

Mr. BYRD. Mr. President, the distinguished Senator who has the floor, will he yield without losing his right to the floor?

Mr. PRESSLER. Yes.

Mr. BYRD. The distinguished Senator from Illinois, CAROL MOSELEY-BRAUN, has an earthshaking proposal to bring before the Senate at this time. Would she do that?

Mr. PRESSLER. Yes. I yield.

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

Ms. MOSELEY-BRAUN. Thank you very much, Mr. President.

I thank the Senator from West Virginia.

This is not exactly earthshaking, but we certainly shook the Sun in Chicago.

THE CHICAGO BULLS THREE-PEAT AS NATIONAL BASKETBALL ASSOCIATION CHAMPIONS

Ms. MOSELEY-BRAUN. Mr. President, last Sunday night millions of constituents and tens of millions of other Americans were glued to their television sets to see game six of the NBA championship series. What they saw—and what I saw, because I, too, did not want to miss a minute of the NBA finals—is what it means to be a champion.

My hometown team, Mr. President, the Chicago Bulls, also known fondly as "da Bulls," was down by four points with less than a minute to go. But they did not fold, Mr. President. They did not fold. Instead, they reacted like the champions they are and found a way to win. That last minute was a demonstration of what the Chicago Bulls are all about and what real excellence is all about.

I am very proud to be able to say that the Chicago Bulls are a three-peat NBA champion. Winning the NBA once is difficult. Winning it twice is rare. Winning it three times sets this team apart. Michael Jordan was, for the third consecutive time, named the most valuable player for the playoffs. It is crystal clear that he has no equal on the basketball court and that he is likely the greatest basketball player of all times.

But it was very fitting that the winning basket in the final game was scored by John Paxson because it was a demonstration that the Bulls are a championship team. One part of Michael Jordan's greatness is that he is not content just with the personal goals. He wants the team to succeed. And the team did succeed. And no team can win three times unless this team is truly exceptional, and the Chicago Bulls demonstrated convincingly once again that they are truly exceptional.

Mr. President, each and every one of the Bulls players is a superb individual basketball player. What makes them all so very special is the way they have come together to blend their talents in

the team, playing in a way that makes each of them better. That is the real hallmark of champions.

Frankly, we all can take a page from what happened in the finals this last week. And that is this kind of teamwork should show us all as Americans what it means when we come together. When we come together to work together as Americans, overcoming our individual differences with working in behalf of our common strengths, we can be greater than the sum of our parts as a nation.

Mr. DECONCINI. Mr. President, will the Senator from Illinois yield?

Ms. MOSELEY-BRAUN. The Senator from Illinois will yield to the Senator from Arizona.

Mr. DECONCINI. Mr. President, I want to thank the Senator from Illinois. I want to compliment both Senators from Illinois for their fine performance today in support of and praising the Chicago Bulls for the outstanding series that they played. I do that with greatest respect for that basketball team. Of course, I am most regretful that the Phoenix Suns did not quite pull it out. I must say it was an exciting battle of sportsmanship like I have never seen before.

As the Senator from Illinois knows, I am in debt to her, seriously in debt to her, over a fun wager we made. I do not want her to think for a moment that the Senator from Arizona would for a fraction of a second not perform on the commitment that I made. And it is in the mail. I know you have heard that before. This is not a check. This is grapefruit from the State of Arizona. She will have that sometime, I think, tomorrow afternoon as the small reward for the outstanding basketball game that the Chicago Bulls pulled off, I must say.

I can only say in praise of the Phoenix Suns that I have never seen, except one other, a team do any better, and it was extremely beneficial for Phoenix and Arizona. And the Sun never sets on the Phoenix Suns. I assure the Senator from Illinois of that.

Ms. MOSELEY-BRAUN. Mr. President, I thank very much the Senator from Arizona. I compliment him on his graciousness and the graciousness of the Phoenix Suns. They played a good game and a hard game and were gracious in defeat. I congratulate the Suns players. To mention a couple: Charles Barkley, Majerle, and all the others. They made a good series. I think it made this victory that much more sweet for the Chicago Bulls.

In closing, I congratulate the coach Phil Jackson, Michael Jordan, Scottie Pippen, B.J. Armstrong, Bill Cartwright, Horace Grant, John Paxson, Scott Williams, Stacey King, Trent Tucker, Will Perdue, Rodney McCray, Darrell Walker, and all of the members of the Bulls' organization on their tremendous victory.

Mr. President, on behalf of myself, the citizens of my city—Chicago, and my State of Illinois, on behalf of Bulls fans across this Nation and across the world, I strongly urge my colleagues to enact this resolution (S. Res. 123) congratulating the Bulls for winning their third consecutive NBA championship.

CONGRATULATING THE CHICAGO BULLS—1993 NBA CHAMPIONS

Ms. MOSELEY-BRAUN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 123, a resolution submitted earlier today by myself and Senator SIMON to congratulate the Chicago Bulls on their third NBA title; that the resolution and preamble be agreed to; that the motion to reconsider be laid upon the table; and that any statements appear at the appropriate place in the RECORD.

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

So the resolution (S. Res. 123) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 123

Whereas the Chicago Bulls, battling injuries and fatigue, fought their way through a season filled with struggles to finish with a 57-25 record;

Whereas the Bulls roared through the playoffs, sweeping the Atlanta Hawks and Cleveland Cavaliers before defeating the favored New York Knicks in six games to return to the NBA Finals for the third straight year;

Whereas head coach Phil Jackson and the entire coaching staff skillfully lead the Bulls through an exhausting 82-game regular season, while simultaneously conserving player energy and positioning the team for an aggressive, never say die, playoff run;

Whereas for the third consecutive year, Michael Jordan, averaging a record 41.0 points per game in the finals, was named playoff most valuable player, an honor that no other NBA player has ever received;

Whereas Scottie Pippen again exhibited his outstanding versatility, averaging 21.2 points, 9.1 rebounds, 7.6 assists and 2.0 steals per game in the finals;

Whereas the quickness and tireless defensive effort of Horace Grant keyed the Bulls front line and led to his game saving block in the final seconds of game six;

Whereas veteran center Bill Cartwright again frustrated the all-star caliber centers that he faced in this year's playoffs;

Whereas B.J. Armstrong, the league leader in three point field goal percentage, stepped up to play dogged defense and showed great composure in hitting several big shots when the Bulls needed them most;

Whereas John Paxson, after struggling through an injury-filled season, came off the bench to provide the Bulls with much needed spark and with 3.9 seconds left in game six, hit a three point field goal to propel the Bulls into NBA history;

Whereas the defense and rebounding of Scott Williams and Stacey King and the clutch shooting of Trent Tucker, each coming off the bench to provide valuable contributions, were an important part of each Bulls victory;

Whereas Will Perdue, Rodney McCray and Darrell Walker provided valuable contributions throughout the playoffs, both on and off the court, at times giving the Bulls the emotional lift they needed;

Whereas the Bulls hit a record 10 three point field goals in game six of the NBA Finals on their way to a Threepeat; and

Whereas the Bulls displayed the heart of a lion to become only the third team in NBA history, and the first in the past 27 years, to win three straight NBA championships: Now, therefore, be it

Resolved, That the Senate, for the third year in a row, congratulates the Chicago Bulls on winning the 1993 National Basketball Association championship.

Ms. MOSELEY-BRAUN. Mr. President, I thank the Appropriations Committee chairman for his graciousness in allowing me this time, and I yield the floor back to the Senator from West Virginia.

SUPPLEMENTAL APPROPRIATIONS ACT OF 1993

The Senate continued with the consideration of the bill.

AMENDMENT NO. 488

(Purpose: To permit producers on a farm who were prevented from planting the 1993 crop of corn because of a disaster to devote conservation use acreage under the 0/92 program to soybeans)

The PRESIDING OFFICER. Under the previous order the clerk will read the amendment offered by the Senator from South Dakota.

The bill clerk read as follows:

The Senator from South Dakota [Mr. PRESSLER] proposes an amendment numbered 488.

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

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

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . PREVENTED PLANTED DISASTER ASSISTANCE FOR 1993 CROP OF FEED GRAINS.

The first sentence of section 105B(c)(1)(F)(ii) of the Agricultural Act of 1949 (42 U.S.C. 1444f(c)(1)(F)(ii)) is amended—

(1) by striking "crambe, and" inserting "crambe,;" and

(2) by inserting before the period at the end the following: "and, in the case of producers on a farm who the Secretary determines are prevented from planting any portion of the acreage intended for the 1993 crop of corn because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, soybeans".

Mr. PRESSLER. Mr. President, this amendment involves a very serious problem in several Midwestern States. That is, we have had so much rain that people have been unable to plant corn. This would allow soybeans to be planted as an alternate crop on corn acreage that is entered into the 0/92 program. Current law precludes this.

This amendment would bring much needed relief to corn growers who were

unable to plant a crop this year due to extremely wet and rainy conditions. Mother Nature can be a farmer's best ally or a farmer's worst enemy. Unfortunately for South Dakotans this year, it has been the latter.

Nothing is worse for a farmer than being prevented from planting a crop. Farmers can battle droughts, insects, and unfavorable growing seasons, but when a farmer cannot plant a crop, that farmer is helpless. Money spent in preparation for planting is gone. So is the income that a harvested crop would have brought. There is nothing worse for a farmer than to see a field lying under water or too wet to plant.

Mr. President, many South Dakotans farming today have never experienced a planting season this disastrous. Time is running out for many of these farmers. Action is urgently needed to permit farmers in the affected areas to plant a crop and earn an income this year.

What is at stake for these farmers? The word that best answers that question is: survival.

The amendment I am offering today would provide relief for farmers who are unable to plant corn this year. This amendment would ease their suffering. Specifically, it would allow soybeans to be planted as an alternative crop on corn acreage that is entered into the 0/92 program. Under my amendment, soybeans could be planted without the loss of program benefits or corn base if a farmer could not plant corn. Current law precludes this. Sunflowers are permitted to be planted, but there is no market in southeastern South Dakota for sunflowers, and farmers would have to purchase new equipment to plant sunflowers. That is an expensive option for just 1 year.

Mr. President, though it is too late for farmers to plant corn this year, there is still time for farmers to plant soybeans on their corn acreage and earn a living. Permitting farmers to plant soybeans without penalty will keep hundreds of South Dakotans on the farm and in business. This can be done with little cost to the Government.

The Congressional Budget Office has estimated my amendment would cost \$29 million in fiscal year 1994. The budget reconciliation provisions reported by the Committee on Agriculture exceeded savings instructions by \$48 million. Use of those excess savings could be used to offset the cost of this amendment.

Mr. President, this amendment is supported by the South Dakota Corn Growers, the South Dakota Soybean Association, the South Dakota Farmers Union, South Dakota Farm Bureau, the American Soybean Association, the South Dakota Department of Agriculture, and the National Corn Growers Association.

I am pleased to be joined in this effort by my friends from Minnesota and

Iowa, Senator DURENBERGER and Senator GRASSLEY.

Mr. President, in addition to farmers in South Dakota, farmers in Minnesota, Iowa, and other States are in dire straights due to torrential rainfall over the past weeks. Yet, most of my colleagues are unaware of the devastation that thousands of farmers are facing. We must act today if relief is to be provided.

Our farmers need and deserve Federal assistance as desperately as the victims of Hurricane Andrew or the Los Angeles riots. Time is running out. If some assistance is not provided to permit farmers to plant alternative crops and keep their deficiency payments, farmers in South Dakota may lose \$14 million. This could force some farmers out of business.

Not only will this devastate farmers, but local communities and rural businesses will be hurt as well.

I ask unanimous consent that two articles depicting the situation in South Dakota be printed in the RECORD.

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

[From the Argus Leader, June 20, 1993]

SOUNDS OF SILENCE ON THE FARM

(By Carson Walker)

HARRISBURG.—A cartoon on the wall at the Harvest States Co-op tells the farm story of 1993.

"It had this farmer in a boat and you look under the water and you see a corn planter," says the Rev. Rick Pittenger, pastor of the Harrisburg United Methodist Church.

By now, the joke is wearing a little thin for farmers.

"They said, 'You know that was funny two weeks ago and it's not funny anymore,'" Pittenger says. "They used to joke about it and now they carry their pain in silence."

Silence on the farms of eastern South Dakota this spring is more than the quiet from idle farm machinery. It's also a sign of stress, frustration and even depression.

Some producers have their crops in the ground and now place their hope in next fall's harvest—hoping for a late frost. They at least are protected by federal crop insurance.

Others haven't turned a tractor wheel and a few even have corn in the ground from last fall. Farmers whose fields are too muddy to walk in—let alone drive a tractor through—aren't covered by insurance if they don't get in a crop.

"They joke about it, but behind that you know that they're hurting," Pittenger says. "I think it's a matter of trying to keep the appearance that everything's OK."

Clergy, extension agents, counselors and others who work with farmers worry that this year's exceptionally wet spring—on top of last year's unusually wet fall—will gravely affect not only this year's profits, but also the future of some farms altogether. They fear that the cumulative effect of the heavy rains may force many farmers to quit and that in turn would threaten the livelihood of nearby towns.

Farmers generally pray for rain in South Dakota. The droughts of 1988 through 1991 are a clear memory. For some, so are the droughts of the Dirty Thirties and almost every decade since. Yet the consistency of

rain last year and again this year has made daily weather forecasts laughable.

In many cases, farmers are helpless. Cash rent is due, and tax bills will come due at the end of the year no matter how the growing season works out.

"They can't even get in the field," says Lynette Olson, an extension family life specialist at South Dakota State University in Brookings. "That is a major frustration. * * * They're feeling overloaded, overwhelmed with what's been happening and that's why it's so serious now."

Jerome Johnson and his wife, Shirley, have farmed with Jerome's brother, Richard near Garretson for nearly 40 years. They and a group of farmers gather often around their kitchen table to talk.

"I think everyone will agree that it's the worst that anyone alive can remember—not for one solid year has it been this wet," Jerome says.

Shirley spreads out rhubarb cake and fresh chocolate chip cookies, recognizing the value of such sessions. "I'd rather buy that 3-pound can of coffee than pay doctor bills," she says. "I don't think they're aware of what's taking place. Nothing gets solved but at least they're talking."

The Johnsons survived the 1980s farm crisis and have most of their crop in this year—except for 85 acres of corn still standing from last year.

Shirley is concerned about families in which the wife has to work elsewhere because the farm doesn't provide enough income. For those farmers, "there's no place to go because the wife is at work and the coffee pot's not on," she says.

Dale Lint, a needs assessment manager at Charter Counseling Center in Sioux Falls, says the agency has received few calls from farmers, but he thinks that will change because many still hope they can get a crop planted. The reality of how late it's getting hasn't settled in yet.

"The only thing that's going to be knee high by the Fourth of July is weeds," Lint says. "Typically the increased concern in the local communities: the pastors, local resource persons. They are going to be the front-line people and they're going to see that response before it would move outside the communities."

If farm families withdraw from the community or stop going to church, that's a warning sign of depression, Olson says.

"This is going to go on through harvest. It's a snowball. If crops are late getting in they're going to be late into harvest and if we have an early winter again, we'll have fields that are not harvested."

The extension service will meet Friday in Beresford and Vermillion to help pastors, bartenders, business owners, bankers and anyone who has direct contact with farmers learn how to recognize depression and offer help.

Larry Tidemann, program leader for agriculture and natural resources with the extension service in Brookings, says such meetings are the first steps in trying to prevent a crisis.

"If you can avoid the isolation that goes on, they realize that I'm not the only one who has this problem. They see that their neighbors have the same problem and they're not alone," he says. "The theme from the 1980s crisis is its much more important to save the farm family than it is to save the family farm. That's not minimizing the importance of saving the family farm."

Because many farmers have only high spots planted, they aren't spraying and fertilizing entire fields.

"It's costing us more because we're having to drive all over the country to spray a few acres," says Mike Austin of Austin Ag Services in Centerville. "I don't think the people up and down main street have felt the crunch yet but I think that's coming. Area farmers are going to tighten their belts so much it's going to affect the whole community."

At the Johnsons' kitchen table, the conversation is lighthearted. "I don't have a dog to kick," jokes Stan Hanson of Garretson.

"I've been farming 22 years hoping it gets better and it just doesn't," says Ron Williamson of Garretson. "I still don't think people are healed from the crisis in the '80s."

The weight of their financial problems will force some farmers out, Williamson says: "Without a doubt, I think that will happen, without prices getting better."

"The bankers are going to play a big role in this," Richard Johnson says. "Are they going to stay with you another year?"

"It ain't like we're asking for a free lunch. We're willing to pay the premium to cover this crop, whether it's in the bag or in the field," Jerome Johnson says. "The last thing we want is another low-interest loan or a handout * * * We're not looking for sympathy."

As the men filed out of her kitchen, Shirley Johnson says, "They've got to stick together like family. You can't run away from it."

CROP PRODUCTION CAN'T TREAD WATER

NERSTRAND, MN.—Dave Estrem farms some of the most fertile land in southeastern Minnesota's Rice County. But for the second straight year, he will rely on federal crop insurance because his corn and soybeans are falling.

Last year, a late June frost destroyed young plants. This year, they're drowning.

"Right up there, that's crop land" he said, pointing toward the horizon. "That's not a lake, that's fields—and they're my fields."

Back-to-back years of cold, wet weather are taking their toll on southern Minnesota farmers. Last year, they collected \$1.5 million in direct federal disaster loans from the Farmers Home Administration.

This year, planting was delayed for weeks because of wet fields, and last week's torrential rains had nowhere to drain. The cost of damage won't be estimated until after water recedes.

Nine southwestern Minnesota counties will receive federal disaster aid from early May storms. State Agriculture Commissioner Elton Redalen said he expects applications from up to six more counties following the latest rains. A formal disaster declaration is expected within three weeks.

Declarations aren't as likely in southeastern Minnesota, but farmers there haven't been spared from wet weather. Five inches of rain in a matter of hours last week left large pools in many fields. Rivers and creeks flooded and rains continued into the weekend.

Farmers who have plowed the same fields for decades say it's the most standing water they've ever had. Many will rely on federal crop insurance to recoup some of their losses.

It will be a week before Estrem can walk into the muddy valley to assess water and erosion damage from midweek storms. A few days after that he may be able to get equipment into the fields, but by then summer will be too far gone to replant.

For now, Estrem looks down on the fields from a hill overlooking the 400 acres he finished planting, two weeks ago. About 100

acres are under water. Yield will be down 10 to 20 percent, he said, but it's too soon to put a dollar figure on the loss.

"It's going to be devastating to us but also to all the farmers in the area because the prices are so depressed. Then we get a blow like this," he said.

Doug Gilbertson manages Nerstrand Agri-Center, a cooperative grain elevator serving about 200 local farmers. Most of those farmers were counting on getting back on track this year after low-quality crop in 1992.

"Without a good year this year, it will force some of them out of business," Gilbertson said.

Many area farmers will rely on beef and hog production while crops are unprofitable, Gilbertson said.

Ivan Lehnert has seen many good and bad years on the south-central Minnesota land he's farmed since 1960. About 30 of his 360 corn and soybean acres in rural Belle Plaine are under water up to 3½ feet deep.

"I've been at it long enough that it's going to take more than a year to put me out of business," Lehnert said. "For somebody who's just starting out—farming (the) first, second, third year—that can be the end of it."

Mr. PRESSLER. Mr. President, I urge my colleagues to support this much-needed amendment for America's farmers.

The PRESIDING OFFICER. Is there further debate on the amendment?

The Senator from Arkansas.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. MCCONNELL. Mr. President, I ask unanimous consent that I proceed for 2 minutes as if in morning business.

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

CAMPAIGN FINANCE REFORM

Mr. MCCONNELL. Mr. President, a brief postscript on the debate of the previous 3 weeks on campaign finance. It was an interesting editorial in Roll Call on Monday entitled "Senate Security Act," the first sentence of which reads as follows:

The version of the campaign finance reform bill passed by the Senate last week is a miserable piece of legislation. Its key provision—the compromise that made cloture possible on Wednesday—is outrageously unconstitutional.

Mr. President, I ask unanimous consent that the Roll Call editorial appear at this point.

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

[From Roll Call, June 21, 1993]

SENATE SECURITY ACT

The version of the campaign finance reform bill passed by the Senate last week is a

miserable piece of legislation. Its key provision—the compromise that made cloture possible on Wednesday—is outrageously unconstitutional. Why would Senators pass a bill that so blatantly restricts the right of free political speech, as the Supreme Court clearly defined the right in *Buckley v. Valeo*? Partly, to rescue themselves from the political liability of failing to pass a campaign bill but, more importantly, to keep their own seats warm and secure.

The amendment that broke the logjam, sponsored by Sens. James Exon (D-Neb) and David Durenberger (R-Minn), replaces the public financing provisions of the original Democratic bill with a tax on contributions. In the Buckley decision, the High Court ruled that the government cannot limit what a candidate may spend on a race because to do so would violate First Amendment free-speech guarantees. So the original bill set up a scheme to entice candidates to accept spending limits "voluntarily." The deal was this: If you agree not to spend more than \$600,000, then the taxpayers will provide you with \$200,000 of that, gratis.

Senators understood, however, that public financing (which some opponents were calling "food stamps for politicians") could be poison at the ballot box. So the Exon-Durenberger measure got rid of direct public financing and instead made this deal: If you accept the spending limits and your opponent does not, then your opponent's donations will be taxed at the top corporate rate (34 percent now, and rising) and the proceeds will go to you. This cute maneuver is doubly unconstitutional—not only does it limit campaign spending (i.e., political free speech, according to Buckley) through coercion, it actually taxes that speech—forces candidates who, in effect, speak too much to pay the government (and ultimately their opponents!) for the privilege.

The Senate bill also removes the last pretense that this "reform" legislation is anything more than an incumbent-protection bill. Under Exon-Durenberger, if both the incumbent and the challenger agree to accept spending limits, then neither gets a boost in fundraising through public financing. So incumbents get to have their cake and eat it too: First, challengers are coerced into not spending more than incumbents (and they need to spend more just to get even!), and, second, challengers have to fend for themselves in raising money to bet to the limit.

The newspaper did not think all that highly of the original Democratic campaign reform bill, but the cynical abomination the Senate passed last week is far worse. We admire those, like Sen. Howard Metzenbaum (D-Ohio), who stood on principle, continued to back true public financing, and voted "no" on Exon-Durenberger. We still believe that the simple, elegant solution to the campaign finance conundrum is free broadcast time for all candidates—a system in place in every other democracy in the world. This idea should have broad, bipartisan appeal, except for one little problem: It puts challengers on an equal footing with incumbents.

Mr. MCCONNELL. In addition, Mr. President, the June 28 issue of Newsweek contains a very informative column by George Will, that begins as follows:

Washington's political class and its journalistic echoes are celebrating Senate passage, on a mostly party-line vote, of a "reform" that constitutes the boldest attack on freedom of speech since enactment of the Alien and Sedition Acts of 1798. The cam-

paign finance bill would ration political speech. Fortunately, it is so flagrantly unconstitutional that the Supreme Court will fling it back across First Street, Northeast, with a two-word opinion: "Good Grief!"

I ask unanimous consent that the entire column appearing in Newsweek June 29, 1993 be printed in the RECORD.

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

[From Newsweek, June 28, 1993]

SO, WE TALK TOO MUCH?

(By George F. Will)

Washington's political class and its journalistic echoes are celebrating Senate passage, on a mostly party-line vote, of a "reform" that constitutes the boldest attack on freedom of speech since enactment of the Alien and Sedition Acts of 1798. The campaign finance bill would ration political speech. Fortunately, it is so flagrantly unconstitutional that the Supreme Court will fling it back across First Street, N.E., with a two-word opinion: "Good grief!"

The reformers begin, as their ilk usually does, with a thumping but unargued certitude: campaigns involve "too much" money. (In 1992 congressional races involved a sum equal to 40 percent of what Americans spent on yogurt. Given the government's increasing intrusiveness and capacity to do harm, it is arguable that we spend too little on the dissemination of political discourse.) But reformers eager to limit spending have a problem: mandatory spending limits are unconstitutional. The Supreme Court acknowledges that the First Amendment protects "the indispensable conditions for meaningful communication," which includes spending for the dissemination of speech. The reformers' impossible task is to gin up "incentives" powerful enough to coerce candidates into accepting limits that can be labeled "voluntary."

The Senate bill's original incentive was public financing, coupled with various punishments for privately financed candidates who choose not to sell their First Amendment rights for taxpayers' dollars and who exceed the government's stipulated ration of permissible spending/speech. Most taxpayers detest public financing. ("Food stamps for politicians," says Sen. Mitch McConnell, the Kentucky Republican who will lead the constitutional challenge if anything like this bill becomes law.) So the bill was changed—and made even more grossly unconstitutional. Now it limits public funding to candidates whose opponents spend/speak in excess of government limits. The funds for the subsidy are to come from taxing, at the top corporate rate, all contributions to the candidate who has chosen to exercise his free speech rights with private funding. So 35 percent of people's contributions to a privately funded candidate would be expropriated and given to his opponent. This is part of the punishment system designed to produce "voluntary" acceptance of spending limits.

But the Court says the government cannot require people "to pay a tax for the exercise of that which the First Amendment has made a high constitutional privilege." The Court says that the "power to tax the exercise of a right is the power to control or suppress the exercise of its enjoyment" and is "as potent as the power of censorship."

Sen. Fritz Hollings, the South Carolina Democrat, is a passionate advocate of spending limits but at least has the gumption to attack the First Amendment frontally. The

Senate bill amounts, he says candidly, to "coercing people to accept spending limits while pretending it is voluntary." Because "everyone knows what we are doing is unconstitutional," he proposes to make coercion constitutional. He would withdraw First Amendment protection from the most important speech—political discourse. And the Senate has adopted (52-43) his resolution urging Congress to send to the states this constitutional amendment: Congress and the states "shall have power to set reasonable limits on campaign expenditures by, in support of, or in opposition to any candidate in any primary or other election" for federal, state or local office.

Hollings claims—you have to admire his brass—that carving this huge hole in the First Amendment would be "a big boost to free speech." But by "free" he means "fair," and by "fair" he means equal amounts of speech—the permissible amounts to be decided by incumbents in Congress and state legislatures. Note also the power to limit spending not only "by" but even "in support of, or in opposition to" candidates. The 52 senators who voted for this included many who three years ago stoutly (and rightly) opposed carving out even a small exception to First Amendment protections in order to ban flag-burning. But now these incumbents want to empower incumbents to hack away at the Bill of Rights in order to shrink the permissible amount of political discourse.

Government micromanagement: The Senate bill would ban or limit spending by political action committees. It would require privately funded candidates to say in their broadcast advertisements that "the candidate has not agreed to voluntary campaign limits." (This speech regulation is grossly unconstitutional because it favors a particular point of view, and because the Court has held that the First Amendment protects the freedom to choose "both what to say and what not to say.") All this government micromanagement of political speech is supposed to usher in the reign of "fairness" (as incumbents define it, of course).

Incumbents can live happily with spending limits. Incumbents will write the limits, perhaps not altogether altruistically. And spending is the way challengers can combat incumbents' advantages such as name recognition, access to media and franked mail. Besides, the most important and plentiful money spent for political purposes is dispensed entirely by incumbents. It is called the federal budget—\$1.5 trillion this year and rising. Federal spending (along with myriad regulations and subsidizing activities such as projectionist measures) often is vote-buying.

It is instructive that when the Senate voted to empower government to ration political speech, and even endorse amending the First Amendment, there was no outcry from journalists. Most of them are liberals and so are disposed to like government regulation of (other people's) lives. Besides, journalists know that government rationing of political speech by candidates will enlarge the importance of journalists' unlimited speech.

The Senate bill's premise is that there is "too much" political speech and some is by undesirable elements (PACs), so government control is needed to make the nation's political speech healthier. Our governments can not balance their budgets or even suppress the gunfire in America's (potholed) streets. It would be seemly if politicians would get on with such basic tasks, rather than with the mischief of making mincemeat of the First Amendment.

Mr. MCCONNELL. Finally, on Sunday, June 20, 1993, an article entitled "Campaign Finance Reform: No Friend of Democracy," appeared in the Chicago Tribune, by Stephen Chapman, which says in pertinent part with regard to the campaign reform bill that passed the Senate—Mr. Chapman says:

In reality the measure is a conspiracy against freedom of speech that will stifle citizen involvement in elections, foster public ignorance and make incumbents about as vulnerable, to removal as the members of the house of Lords.

It is also a complicated mess, which enables politicians to take credit for cleaning up campaigns without fear the average voter will have the faintest idea what has actually been done.

I ask unanimous consent that this article appearing in the Chicago Tribune on June 20, 1993, be printed in the RECORD.

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

[From the Chicago Tribune, June 20, 1993]
CAMPAIGN FINANCE "REFORM": NO FRIEND OF DEMOCRACY

(By Stephen Chapman)

The United States Senate, in one of its periodic attempts to banish public cynicism about campaign financing without banishing any of the fortunate souls now installed in the United States Senate, has approved a bill that Majority Leader George Mitchell says will "reduce the role of money in federal election campaigns" and "make elections more competitive."

Voters can gauge the accuracy of these claims by considering the likelihood that senators—who have access to ample funds and won't gain from greater electoral competition—would welcome either development. In reality, the measure is a conspiracy against freedom of speech that will stifle citizen involvement in elections, foster public ignorance and make incumbents about as vulnerable to removal as the members of the House of Lords.

It is also a complicated mess, which enables politicians to take credit for cleaning up campaigns without fear the average voter will have the faintest idea what has actually been done.

The bill has three main components. It establishes "voluntary" spending limits in each Senate race (the House will set its own). It would punish violators by confiscating about a third of their campaign receipts and giving the funds to the opposing candidate, who would also get help with TV and mailing costs. And its bans donations from political action committees.

The problem with this, like most campaign reforms, is that by trying to reduce election spending, it rations debate about matters of great public concern. In political campaigns, money and speech are synonymous.

We have outgrown the new England meeting model: These days, you can't get your message to the voters without laying out large amounts of cash—on TV, radio, direct mail and travel. We don't limit the amount CNN spends reporting on political races or the amount the Chicago Tribune spends endorsing candidates. Why should we limit what candidates and other interested parties spend?

The usual excuse is that challengers can't hope to compete against the gigantic sums

that can be raised by incumbents. "This bill will end the days when candidates could crush their opponents with unanswered spending," said President Clinton. But the problem is not that incumbents spend too much: After a certain point, the extra dollars don't yield significant return anyway. The problem is that challengers spend too little.

The remedy lies in making it easier for challengers to raise money. We could start by allowing larger contributions from individuals—the current \$1,000 maximum dates back to 1974 and would have to be set at more than \$2,800 just to keep up with inflation. We could also restore tax credits for small campaign donations. Spending restrictions, however, merely hinder public understanding of issue by reducing the information available to voters.

They are also bound to be overturned by the courts. The Supreme Court rejected compulsory spending limits in 1976, and though these allegedly voluntary, the penalties for candidates who don't volunteer make them coercive in effect. Politicians have a 1st Amendment right to do as much as they want to communicate their views and may not be punished for exercising that right.

Under this bill, those running for office get charged not only for what they spend but for any independent expenditures on their behalf. This leads to an absurd result: A group which likes Sen. Foghorn can run TV spots praising his challenger for striving to raise taxes—thus not only hurting the opponent but forcing her to subsidize Sen. Foghorn.

The ban on PAC giving runs up against the right of individuals to organize for collective goals. PACs are subject because they represent "special interests." But what's so awful about large groups of politically committed citizens using their resources to elect candidates who share their views? If I don't like the PACs assisting a candidate, I can always retaliate at the polls.

It hasn't escaped the notice of the Senate that spending limits also favor incumbents, who have plenty of free devices to publicize themselves. University of Virginia government professor Larry Sabato notes that the typical member of Congress spends hundreds of thousands of dollars each year in government funds for uses that confer political benefits—staff, travel, mailings, mobile offices and so on. Aside from giving up free mass mailings every election year, the senators didn't overexert themselves straining to eliminate that advantage.

There are changes available that would make campaigns more informative and more competitive. But anyone who expects that kind of reform to come from the people who have prospered under the status quo might hope to get milk from a bull.

The PRESIDING OFFICER. The time of the Senator from Kentucky has expired.

Mr. MCCONNELL. I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

SUPPLEMENTAL APPROPRIATIONS ACT OF 1993

The Senate continued with the consideration of the bill.

AMENDMENT NO. 488

Mr. HATFIELD. Mr. President, returning to the Pressler amendment, there are two reasons why the committee cannot accept or support this

amendment. One is, the additional spending is not offset. Second, it does constitute general legislation on an appropriations bill.

So for those two reasons, the subcommittee chairman, the Senator from Arkansas [Mr. BUMPERS], and the ranking member, Senator COCHRAN from Mississippi, have informed me that they could not accept it, and I cannot accept it as the ranking member of the full committee.

Mr. BYRD. Mr. President, I move to table the amendment.

Mr. PRESSLER. Mr. President, I ask for the yeas and nays.

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

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia [Mr. BYRD] to table the amendment of the Senator from South Dakota [Mr. PRESSLER].

The yeas and nays have been ordered and the clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Alabama [Mr. HEFLIN] is necessarily absent.

I also announce that the Senator from Washington [Mrs. MURRAY] is absent because of illness.

I further announce that, if present and voting, the Senator from Washington [Mrs. MURRAY] would vote "aye."

Mr. SIMPSON. I announce that the Senator from Pennsylvania [Mr. SPECTER] is absent due to illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 73, nays 24, as follows:

[Rollcall Vote No. 161 Leg.]

YEAS—73

Akaka	Gorton	Mikulski
Baucus	Graham	Mitchell
Bennett	Gramm	Moseley-Braun
Biden	Gregg	Murkowski
Bingaman	Hatfield	Nickles
Boren	Helms	Nunn
Boxer	Hollings	Packwood
Bradley	Hutchison	Pell
Breaux	Inouye	Pryor
Brown	Jeffords	Reid
Bryan	Johnston	Riegle
Bumpers	Kassebaum	Robb
Byrd	Kennedy	Rockefeller
Chafee	Kerry	Roth
Coats	Kohl	Sarbanes
Cochran	Lautenberg	Sasser
Cohen	Leahy	Shelby
Coverdell	Levin	Simon
DeConcini	Lieberman	Simpson
Dodd	Lott	Smith
Domenici	Lugar	Stevens
Feingold	Mathews	Wallop
Feinstein	McCain	Wofford
Ford	McConnell	
Glenn	Metzenbaum	

NAYS—24

Bond	Danforth	Faircloth
Burns	Daschle	Grassley
Campbell	Dole	Harkin
Conrad	Dorgan	Hatch
Craig	Durenberger	Kempthorne
D'Amato	Exon	Kerry

Mack Pressler Warner
Moynihan Thurmond Wellstone

NOT VOTING—3

Hefflin Murray Specter

So the motion to lay on the table the amendment (No. 488) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the motion was agreed to.

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

The motion to lay on the table was agreed to.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

AMENDMENT NO. 489

(Purpose: To discharge States and local governments from providing general welfare assistance to able-bodied individuals unless such individuals are participating in workfare programs)

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

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from New York [Mr. D'AMATO], for himself, Mr. BROWN, Mr. PRESSLER, Mr. MACK, Mr. DOMENICI, Mr. CRAIG, Mr. MURKOWSKI, and Mr. SMITH, proposes an amendment numbered 489.

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

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

The amendment is as follows:

On page 40, after line 21, insert the following new section:

SEC. 202. (a) Section 403 of the Social Security Act (42 U.S.C. 603) is amended by inserting after subsection (b) the following new subsection:

"(c)(1)(A) If the Secretary determines—

"(i) that a State is operating a general welfare assistance program described in paragraph (3) during a calendar quarter, or

"(ii) that more than 20 percent of the local governments within a State that provide general welfare assistance are operating programs described in paragraph (3) during a calendar quarter,

the Secretary shall reduce by 50 percent the amount that such State would otherwise receive under subsection (a) with respect to expenditures made by such State during such quarter for the administration of the aid to families with dependent children program under this part.

"(B) If a State receives a reduced payment in a calendar quarter as a result of a determination by the Secretary under subparagraph (A)(ii)—

"(i) such State shall reduce for such quarter the payments made to each State office administering the aid to families with dependent children program which is located within the jurisdiction of the local governments described in subparagraph (A)(ii) by an amount equal to 50 percent of the of Federal share of the administrative expenses of such office; and

"(ii) such State shall not, as a result of such reduced payment, reduce for such quarter the payments made to any State office administering the aid to families with dependent children program which is not lo-

cated within the jurisdiction of the local governments described in subparagraph (A)(ii).

"(2) If the Secretary determines that any local government within a State that is not described in paragraph (1)(A) is operating a general welfare assistance program described in paragraph (3) during a calendar quarter, the State shall reduce for such quarter the payments made to any State office administering the aid to families with dependent children program which is located within the jurisdiction of such local government by an amount equal to 50 percent of the of Federal share of the administrative expenses of such office and such amount shall be paid by the State to the Secretary.

"(3) A general welfare assistance program described in this paragraph is a general welfare assistance program that—

"(A) provides benefits to able-bodied individuals (as determined by the Secretary) who have attained age 18 and who have no dependents (hereafter referred to in this subsection as 'able-bodied individuals');

"(B) does not have a workfare program that meets the participation rate requirements under paragraph (4); and

"(C) does not meet any other requirements set forth in regulations issued by the Secretary.

"(4)(A) The participation rate requirements under this paragraph are as follows:

"(i) In the case of a workfare program which is implemented after the date of the enactment of this subsection, the participation rate for such program shall be—

"(I) for the second year that the program is operated, 10 percent; and

"(II) for any succeeding year, the percentage for the preceding year plus 2 percent.

"(ii) In the case of a workfare program which is operating on the date of the enactment of this subsection, the participation rate for such program shall be—

"(I) for 1994—

"(aa) in the case of a program with a participation rate below 10 percent for 1993, 10 percent; and

"(bb) in the case of a program with a participation rate between 10 percent and 50 percent for 1993, the program's participation rate for 1993 plus 2 percent; and

"(II) for any succeeding year, the percentage for the preceding year plus 2 percent.

"(B) The participation rates required under clauses (i) and (ii) of subparagraph (A) shall not exceed 50 percent.

"(C) For purposes of this subsection, the term 'participation rate' means the percentage of the able-bodied individuals who receive general welfare assistance participating in a workfare program.

"(5) On or before the date which is 5 years after the date of the enactment of this subsection, the Secretary shall conduct a review of State and local participation rates and submit to Congress a report containing any of the Secretary's recommendations with respect to the participation rate requirements established under paragraph (4)."

(b)(1) Except as provided in paragraph (2), the amendments made by subsection (a) shall apply to calendar quarters beginning on or after July 1, 1994.

(2) In the case of a State which the Secretary determines requires State legislation (other than legislation authorizing or appropriating funds) in order to comply with the amendments made by subsection (a), the State shall not be regarded as failing to comply with such amendments solely on the basis of its failure to meet the requirements of such amendments before the first day of

the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act. For purposes of the preceding sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

Mr. D'AMATO. Mr. President, the amendment is a simple, straightforward one. I offer it on behalf of Senator BROWN, Senator PRESSLER, Senator MACK, Senator DOMENICI, Senator CRAIG, Senator MURKOWSKI, and Senator SMITH.

Mr. President, President Clinton said in his "Putting People First" that we need workfare not welfare. That means ending welfare as we know it.

Last year, this body passed similar legislation that I put forth, along with Senator BROWN, which said that those able-bodied recipients—I am not talking about people who have children—able-bodied recipients, adults, in order to be eligible to get what they call, in my State, home relief or general assistance, which is now provided for by 42 of the States, that they be required to take a job. If there is no job available in the private sector, that they then be required to report to a job in the public sector so that we do not have able-bodied recipients lolling around and, in some cases, never being required to undertake job training or programs and all too often working off the books in another position, because we have found in those counties that have undertaken these programs that it has made a substantial impact.

Unfortunately, without there being the carrot-and-stick approach, we find that too many States and too many jurisdictions within the States, too many counties and too many cities that are charged with the administration of these programs have not made a real effort to see to it that the local jurisdictions really require this kind of an effort.

We start off very modestly, make no mistake about it. We do not say that overnight you have to put 50 percent of those people receiving public assistance to work, but we give 1 year, and the threshold starts at 10 percent. We say that unless you receive at least 10 percent of those people who are receiving public assistance and are required to report for a job, be it in the private sector or public service, that that county would lose 10 percent of the dollars that it gets through the fund to administer AFDC, the administration funds.

We push States to make a real effort in jurisdictions. A State would be in compliance with 80 percent of those jurisdictions who were undertaking this program in having a compliance rate of at least 10 percent. They would be required to increase that ratio by 2 percent per annum until they had at least 50 percent of those able-bodied recipients receiving AFDC.

If we are going to break the poverty cycle, if we truly want to show people that there is another way, better than just simply being dependent upon the Government dole, if we want to see to it that those people who are receiving this assistance are truly entitled to it, then let us undertake this modest first step.

Why do I say those people who are truly entitled to it? Because I have spoken to a number of administrators at the local level and they have said to me, "Senator, the results have been dramatic, indeed, in terms of those people they have contacted for this program and in some cases as many as 1 out of 3 have dropped off the welfare rolls, have not taken a public service job, but because they had other employment off the books or because it was too much of an effort to come, they no longer require that assistance."

We save taxpayers money. More importantly, for those people who do not have a job or job opportunity, we show them what it is about. We give them that training. They are then encouraged to report for work and earn their way, and it is not something that is just given to them but rather they have a sense of accomplishment.

Mr. President, I think this is a modest first step. I think it is a step that is long overdue and necessary, and I urge my colleagues to make this modest first step and help the President keep his commitment: Workfare, not welfare. Let us break the cycle of dependency that we see and is so evidenced in so many areas.

Mr. BROWN addressed the Chair.

The PRESIDING OFFICER (Mr. LIEBERMAN). The Chair recognizes the Senator from Colorado.

Mr. BROWN. Mr. President, I rise in strong support of the D'Amato amendment. It seems to me our goal with regard to welfare programs ought to be first and foremost to assist and help the people who find themselves in that tragic position in life. Our effort ought to be to design programs that not only meet their temporary needs but also focus on trying to help them out of poverty.

What this country has found, frankly, is that while we have over 100 assistance programs and 54 programs based on need that sometimes are referred to as welfare programs, that in spite of all those programs, sometimes we have made things worse instead of better. Yes, we have met temporary needs, at least often we have, but we have not met the more important and more fundamental need that many of these less fortunate people have; and that is to find a way out of poverty.

In short, Mr. President, many of the programs we have adopted have served simply to trap people in poverty, to develop generation after generation after generation dependent on public assist-

ance instead of providing them that which is most important: Hope and opportunity and a way out. This amendment takes a significant step toward providing the way out.

In the 1988 welfare reform bill, we made a number of basic changes, and the promise of that bill was to move to a program that provides education and training and work for recipients, not simply an endless cycle of poverty. It provides help along the way with transition benefits; that is, when a welfare recipient gets a job, they do not lose Medicaid right away. They have a year's transition so that when they get a job, they can continue to receive health care for their children for the 6 months or so that it takes the new employer to provide that health care benefit. They can continue to receive child care. So we have in place transition benefits for those who are on welfare and choose to get a job. But what we do not have, Mr. President, is a program at the local level that helps people find those jobs, helps them find the way out of poverty.

It is a tragic, tragic circumstance because ironically the programs we have provided have done everything but the most important thing, and that is to truly help those individuals.

This amendment is straightforward and simple. It does not cost the taxpayers money. My guess is, in the long run, it will provide dramatic savings. But the D'Amato amendment does something more important than any of the 54 assistance programs we have on the books.

What it does is provide an incentive and a requirement for the States to make work part of their programs. It sets a starting minimum of 10 percent that have to be involved in these work programs. It is a modest, easily attained goal, but it is one where there is need for incentive. Without a requirement by the Federal Government, without a standard, without an expectation, without an incentive, which this amendment provides, we are not going to have the action of many States to so fundamentally help someone. How can we pretend that we are helping the less fortunate in this Nation when we condemn them to a lifetime of staying on public assistance and staying on the public dole.

Should not our goal be to truly help them, to give them a chance to get out in the world, to break the cycle of poverty? That is what the D'Amato amendment does. If we do nothing else in this supplemental appropriations bill, I hope we will give some thought to what it really takes to help people find their way out, find a better life.

If there is one secret of America, if there is one magical event that has taken place in this Nation, it is that Americans are harder working, more productive and creative than any people on the face of the Earth. We still

have the highest worker productivity of any nation in the world. The D'Amato amendment speaks to the American dream because it makes work and a way out of poverty part of the assistance programs.

I urge adoption of the D'Amato amendment, Mr. President.

The PRESIDING OFFICER. Who seeks recognition?

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York, Mr. D'AMATO.

Mr. D'AMATO. Mr. President, I thank my colleague, Senator BROWN, for not only his support but being so cogent in putting forth reasons for us to move forward and to not penalize people but to show them a better way. That is what this legislation is intended to do.

It is also intended, I must say, to push those who should not be receiving benefits, who are scamming the system and hard-working people because taxpayers have to come forth with the dollars. And indeed, at the local level many of the States require contributions as high as 50 percent from local governments. It is that inducement which I believe in many cases will bring about getting people who want to work, give them an opportunity to do that and earn their way out of the system. And second, it will have a very beneficial impact in dealing with those who are abusing the system.

So for all of these reasons, I hope that we would pass this legislation. I think it is appropriate and long overdue.

The PRESIDING OFFICER. Is there further debate on the amendment? The Senator from New York.

Mr. D'AMATO. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. BYRD. Mr. President, there are Senators who are on the Finance Committee who are coming to the floor, I think, to speak on this amendment. It is an amendment that properly comes within the jurisdiction of the Finance Committee. I would support it if it were not being offered to an appropriations bill.

While Senators on the Finance Committee are coming to the floor, I wonder if the Senator would have any objection to our setting this amendment aside so that the ranking manager and I could handle two or three other amendments, to which there is no objection.

Mr. D'AMATO. I have no objection.

Mr. BYRD. I thank the distinguished Senator.

Mr. D'AMATO. Mr. President, I am wondering if I might ask the distinguished managers if we could ask for the yeas and nays and then set that aside, without objection.

Mr. BYRD. Yes.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from New York is set aside.

AMENDMENT NOS. 490-492

Mr. BYRD. Mr. President, the amendments which I shall send to the desk are all on the list of amendments agreed to last Thursday and they are cleared on both sides of the aisle.

The first two amendments provide an additional \$10 million for the senior jobs program under the Older Americans Act. The amendments are fully offset by reductions in other parts of the bill.

The other amendment offered on behalf of Senators HARKIN, FEINSTEIN, and others will allow the States to use fiscal year 1992 surplus funds to pay for refugee assistance claims in fiscal year 1993.

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

Mr. HATFIELD. Will the Senator yield.

Mr. BYRD. Yes.

Mr. HATFIELD. I wonder if the Senator would incorporate in his en bloc amendments one on behalf of Senator CRAIG that I am offering related to sugar beets which has also been cleared on both sides.

Mr. BYRD. Absolutely.

Mr. President, I include the amendment to which Mr. HATFIELD has referred in the amendments which I ask unanimous consent be considered en bloc.

The PRESIDING OFFICER. Hearing no objection to the unanimous consent request by the Senator from West Virginia, that will be the order.

AMENDMENT NO. 490

Mr. HARKIN. Mr. President, because of increases in the minimum wage and program cuts, the senior jobs program will lose 853 positions in fiscal year 1993. These job losses come at a time of high unemployment, when many older workers are finding themselves too young for retirement and at a disadvantage when trying to find new employment.

The senior jobs program provides jobs to older Americans most in need. About four-fifths of program participants are in poverty and about one-fifth of those in the program are placed in private sector jobs each year.

This amendment provides an additional \$10 million for the community service employment program, for an additional 2,310 new enrollees. The amendment does have an offset and therefore is cost neutral.

This is a good program, with a proven track record. I urge its adoption.

Mr. GRASSLEY. Mr. President, I rise to support this amendment and thank the chairman of the subcommittee, Senator HARKIN, and the chairman of the committee, Senator BYRD, for providing \$10 million for the Senior Community Services Employment Program of the Older Americans Act.

The Senior Community Services Program of the Older Americans Act provides community service jobs for low-income workers who are at least 55 years old. The program is administered by the States and eight national contractors—the Forest Service plus seven older Americans organizations. The program moneys supported 65,206 positions in fiscal year 1992. Some 97,809 individuals participated as enrollees in the program in that year.

Without this supplemental appropriation, this program would experience a shortfall in fiscal year 1993. The program was level funded in the fiscal year 1993 regular appropriations bill because it had not been reauthorized at the time the appropriations bill was completed.

If no supplemental is approved for fiscal year 1993, the number of authorized positions will be reduced by 853, and the number of total individual participants will drop by approximately 1,200. In other words, Mr. Chairman, low-income older workers are going to be without the employment cushion provided by the Title V Program.

Mr. President, this supplemental appropriation for the program is going to prevent this decline in the employment opportunities provided by this program. At a time when poverty has been increasing for persons 55 or older, this increase for the Older Americans Act Title V Program will make a small, but important, contribution to the employment of low-income older workers.

I wish to thank Senators HARKIN and BYRD once again for their responsiveness to the needs of this program and the older workers it helps.

FUNDING FOR TITLE V OF THE OLDER AMERICANS ACT

Mr. PRYOR. Mr. President, I would like to add my name as a cosponsor of the amendment of Senator GRASSLEY and Senator HARKIN providing additional funds for the Community Service Employment Program of the Older Americans Act. I am a strong supporter of this program, which subsidizes part-time community service jobs for unemployed persons with low incomes who are 55 years of age or older. The program, which is administered by the Department of Labor, awards funds to national organizations and to State agencies for its operations.

Without this amendment, Mr. President, about 1,200 older Americans would be forced out of working under the program. This Congress should

move in just the opposite direction, toward providing employment opportunities for older persons who choose to work. This amendment is needed to prevent a serious decline in the employment of older, low-income workers.

The poverty rate for older Americans is continuing to rise, and unemployment continues to remain high for people 55 years of age or older. I urge my colleagues to support this amendment so that participants can continue to contribute to their communities in fields such as delivering health care, improving education for our children, and working on behalf of their peers in senior centers.

AMENDMENT NO. 491

Mr. HARKIN. Mr. President, amendment No. 491 permits States to use surplus fiscal 1992 refugee cash and medical assistance funds to pay fiscal 1993 claims. CBO has looked at the amendment, and has determined that it has no impact on budget authority or outlays.

The amendment merely allows States to use unspent balances from previous years to cover a \$15 million shortfall in fiscal 1993, as requested by the administration.

The House deferred consideration of this matter, and we were only able to provide \$3,700,000 in the committee-reported version of the bill, due to our tight allocation ceiling.

The amendment is needed to prevent a drastic cutback in services from taking place August 1, 1993. On that date, refugee cash and medical assistance would be cut from 8 months down to 3 months. Refugees who arrive this summer may be without food, shelter, or medical care if this reduction takes place.

The regular fiscal 1993 refugee appropriation was cut by \$29,149,000 in anticipation of moving to a cost-saving, consolidated program design, however, court action has now indefinitely blocked consolidation.

Over the past 8 years, refugee assistance has dropped from over \$6,600 per refugee to less than \$3,000 this year. This funding helps refugees become self-sufficient taxpayers, and avoids costly welfare payments.

This amendment is a good compromise, resolving the refugee budget shortfall, without having to appropriate more money.

Mr. President, I urge adoption of the amendment.

Mrs. FEINSTEIN. Mr. President, I support Senator HARKIN's amendment providing \$15 million in additional funds for the Refugee Cash and Medical Assistance Program, funds which will allow States with large refugee populations to avoid harsh, last-minute reductions in important services.

Whether they come from Central America, Asia, Africa, or Eastern Europe, refugees coming to this country

need cash and medical assistance services in order to become self-sufficient citizens in the future.

California especially need these funds, because as many as 30 percent of all refugees initially settle in California. Without supplemental funds, California and other States such as New York and Florida would have to cut the length of time they provide services, leaving refugees who arrive this summer without much-needed services.

Ten years ago, Federal funding provided services to refugees for up to 36 months. Currently, services are available for only 8 months. Without these funds, California would have to limit services to refugees to just 3 months. After that, refugees would have to go without food, shelter, and medical care they should receive. At this level, it would be difficult to maintain an effective program.

In the long run, funding for refugee services saves public money. Without such services to help individuals assimilate in the United States, refugees struggle to become self-sufficient and are more likely to need longer term public assistance.

This funding for the Refugee Resettlement Program does not represent surplus money for the refugee program; rather, it will make up some of the shortfall in the fiscal year 1993 budget that the Department of Health and Human Services has requested because of the increase in refugees entering the country.

At the same time, this funding does not require offsets from other equally important programs. Instead, the amendment simply frees up \$15 million in unspent fiscal year 1992 funds.

Finally, it seems obvious that the Federal Government should take responsibility for its own policies. Refugee assistance funds allow States to meet Federal mandates for the provision of assistance to dependent refugees. The need for refugee assistance is created by Federal policymaking, and States such as California should not be forced to bear the financial burden of policymaking over which they have no control.

The PRESIDING OFFICER. If there is no objection, the amendments are agreed to.

The amendments (Nos. 490, 491, and 492), agreed to en bloc, are as follows:

AMENDMENT NO. 490

On page 17, after line 22, insert the following:

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

For an additional amount for "Community service employment for older Americans", \$10,000,000, of which \$7,800,000 is for national grants or contracts with public agencies and public or private nonprofit organizations under section 506(a)(1)(A) of the Older Americans Act of 1965 as amended; and of which \$2,200,000 is for grants to States under section 506(a)(3) of said Act.

On page 19, strike lines 1 through 7.

On page 19, line 13, strike "\$360,000,000" and insert in lieu thereof "\$353,700,000".

AMENDMENT NO. 491

On page 19, insert the following after line 22:

GENERAL PROVISION

SEC. 501. Funds appropriated pursuant to section 414(a) of the Immigration and Nationality Act under Public Law 102-170 for fiscal year 1992 shall be available for the costs of assistance provided and other activities conducted in such year and in fiscal year 1993.

AMENDMENT NO. 492

At the appropriate place, insert:

() CURLY TOP VIRUS CONDITION IN SUGAR BEETS.—The matter under the heading "CROP LOSSES" under the heading "COMMODITY CREDIT CORPORATION FUND" under the heading "COMMODITY CREDIT CORPORATION" under the heading "DEPARTMENT OF AGRICULTURE" of chapter I of title XI of Public Law 102-368 (106 Stat. 1134) is amended by inserting before the period at the end the following: "Provided further, That a curly top virus condition in sugar beets resulting from damaging weather or related condition that adversely affects the beets shall be considered an eligible disaster condition for purposes of assistance provided under this paragraph".

Mr. BYRD. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. HATFIELD. I move to lay that on the table, Mr. President.

The motion to lay on the table was agreed to.

MODIFICATION TO AMENDMENT NO. 475

Mr. BYRD. Mr. President, at the request of the chairman of the Committee on Banking, I ask unanimous consent that the portion of the Byrd amendment No. 475 previously agreed to under the heading Community Development Grants be modified with the modification that I now send to the desk.

The PRESIDING OFFICER. Is there objection?

Mr. HATFIELD. Mr. President, that has been cleared on this side.

The PRESIDING OFFICER. Hearing no objection, it is so ordered.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the modification was agreed to.

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

The motion to lay on the table was agreed to.

The modification to amendment No. 475 is as follows:

Strike the matter inserted by said amendment under the heading "Community development grants", and insert in lieu thereof the following:

"Of the \$4,000,000,000 appropriated under this head in the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993, \$37,500,000 shall be available for authorized community development activities for use only in areas impacted by Hurricane Andrew, Hurricane Iniki or Typhoon Omar: Provided, That notwithstanding any provision of law the foregoing \$37,500,000 shall be

derived from certain set-asides established for fiscal year 1993 under section 107 of the Housing and Community Development Act of 1974, and from unobligated balances carried forward from prior year Appropriation Acts under section 107, including \$6,000,000 for section 107(a)(1)(C), \$9,000,000 for section 107(a)(1)(F), and \$15,000,000 for section 107(a)(1)(H): *Provided further*, That an additional \$7,500,000 shall be available also for use in areas impacted by the above named disasters to be derived from amounts made available under this head in fiscal year 1993 in accordance with section 119(o) of such Act: *Provided further*, That the Secretary may waive entirely, or in any part, any requirement set forth in title I of such Act, except a requirement relating to fair housing and nondiscrimination, the environment, and labor standards, if the Secretary finds that such waiver will further the purposes of the use of the amounts made available to the impacted areas."

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 493

Mr. D'AMATO. Mr. President, I have another amendment. Since my amendment has been laid aside, dealing with education, if the managers of the bill have disposed of it, I would be happy to submit this amendment.

Mr. President, before I submit this amendment, let me comment on it. I am going to show some charts which will graphically demonstrate what is taking place with billions of dollars that we are supposedly making available to educate our children. Unfortunately, in some cases as much as 20 percent of the dollars are being utilized for administrative costs.

Let me say that in some cases these are moneys that are most desperately needed.

Let me point out this chart. We have increases in school enrollment in personnel from 1955 to 1990. We have had a 32-percent increase in enrollment in students, 108 percent in teachers, 195 percent in administrative and staff, and a 411 percent in others, nonteaching personnel.

So while people say we need more money from the Federal Government, it does not make much sense to this Senator that we provide those dollars, and we find that the dollars are not getting into the classrooms, are not getting into the areas to help the teachers.

In one of those programs, title I funds, which are those areas that are the most desperate, fully 20 percent of the money goes to administration. So when people say what are you doing, how about giving us more money, I want to provide additional funds, but I

want to see that it gets to where it is supposed to go.

Let me tell you in New York City where the educational dollars go. New York City Board of Education, spending per student: They get \$6,100 for high school students in New York. That is what gets down to the New York City Board of Education. But after they get it, only \$3,100 or 51 percent goes to the local high schools. Then when they take that money from the high school division and allocate it out into the communities, it is reduced to 49 percent. Everybody gets its cut—the biggest cut coming from the central board. Imagine, they take fully half of the money and send it out to the high school division; the high school division takes its cut, sends its allocation to the schools; they get 49 percent. When it gets to actual classroom services, they get 32 percent.

So while we provide over \$6,000 per high school student, when we take the administration and the cost of administering it, et cetera, \$1,900 gets there, less than one-third of the dollars that we provide.

That is a pretty shocking example. Indeed, we have reason to believe that out of the \$6 billion plus that we make available for title I funds—those are the areas in which the students are most in need—those are where those come from, impoverished areas. We build in a criteria that says that only 1 percent of the Federal dollars can be used by the State for administration. Yet, the national average of 20 percent is being used by local districts for administrative costs. That means that instead of children getting the classroom teachers, instead of that money reaching those youngsters, they are being deprived.

What does this amendment do? The amendment that I am offering says that we are going to cut that down to 10 percent. That still leaves a lot of money for administration. Out of \$6 billion, that means that you can use \$600 million. I think that is too much. But the fact of the matter is there will be some who will say, no, you cannot cut all of the administrative dollars. But certainly 10 percent should be sufficient if the State only has a 1 percent cap. Why should the local districts, whether it is the city of New York or any other city, put millions of dollars into administration and lose that money that should be going to educate youngsters?

That is the intent of this amendment.

Mr. President, I ask unanimous consent that the amendment that is at the desk be set aside for the consideration of this amendment.

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

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

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows: The Senator from New York [Mr. D'AMATO] proposes an amendment numbered 493.

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

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

The amendment is as follows:

On page 40, between lines 21 and 22, insert the following:

SEC. 202. LIMITATION ON USE OF CHAPTER 1 FUNDS BY LOCAL EDUCATIONAL AGENCIES.

(a) AMENDMENT.—Subpart 6 of part F of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2901 et seq.) is amended by adding at the end the following new section:

"SEC. 1492. LIMITATION ON LOCAL ADMINISTRATIVE EXPENSES.

"(a) LIMITATION.—Notwithstanding any other provision of law, not more than 10 percent of the funds made available under this chapter to a local educational agency shall be used for administrative expenses.

"(b) DEFINITION.—For the purpose of this section the term 'administrative expenses' means any expenditure of funds under this chapter that is not used to pay the salary of instructional personnel (personnel involved in the direct teaching of pupils) or to pay the cost of instructional material."

(b) EFFECTIVE DATE.—Section 1492 of the Elementary and Secondary Education Act of 1965 shall be effective in fiscal year 1994 and each succeeding fiscal year.

Mr. D'AMATO. Mr. President, I rise today to offer an amendment which I believe will improve our children's education by ensuring that a greater share of the Federal education dollars are used to teach our children in the classroom instead of supporting a growing educational bureaucracy. The amendment would do this by placing a limit of 10 percent on the amount of Federal Chapter 1 funds received by local school districts that could be used for administrative activities.

There is currently no such limit on administrative expenses by local districts even though we have already capped the share of Chapter 1 funds that the States can use for administration at 1 percent.

This amendment would not cut a penny from the Chapter 1 Program. What it would do is place a priority on getting these desperately needed funds to the children and not the bureaucrats.

The need for this amendment arises out of the staggering growth of school bureaucracies over the past several decades. Between 1955 and 1990, while total student enrollment grew by 32 percent, the number of educational personnel who are not teachers, principals, or supervisors grew by over 400 percent as illustrated by the chart which we initially showed.

Here we have a 32-percent increase in students, at the same time that we have a 400-percent increase in nonteaching personnel.

The massive growth in the educational bureaucracy has done virtually nothing to improve the quality of education in our country. In fact, between 1963 and 1980, the average SAT scores fell by 9 percent, from 978 to 890.

If anything, expanding school bureaucracies have fueled the decline in academic achievement by stifling innovation and change and siphoning dollars away from the real in-classroom educational programs.

Perhaps the most stunning example of the school bureaucracy run amok is the New York City school system, where the bureaucracy consumes over two out of every three education dollars. Just look at where the money goes.

According to a recent study which tracked the flow of dollars to New York City high schools, the city spent \$6,107 per high school student in 1988-89. Half of that amount, \$2,969, was consumed by the city's central bureaucracy—half of it loped off right there. That is called the board of education.

The remaining \$3,138 went to the city's high school division which then spent \$133 per student, passing the remaining \$3,005 on to the schools. Of that \$3,000 that actually reached the schools, more than a third, or \$1,033 per student, went for nonclassroom items.

This left only \$1,972 for classroom expenses, less than one-third of the original \$6,107.

And New York City is not alone. A recent study of spending in the Milwaukee Public Elementary Schools found that only one-quarter of every education dollar went to actual classroom instruction.

The study, entitled "Fiscal Accountability in Milwaukee's Public Schools," found that while the Milwaukee Public Schools spent only \$0.21 per elementary pupil per year on science supplies and books, they spent \$943 per pupil for administration.

This may explain why one elementary school teacher had to wait 5 years to get a U.S. and world map in his classroom, while the school system spent \$160,000 for out-of-town travel for central office administrators and \$867,000 for consultants.

Mr. President, I submit that to have an educational system that allows its bureaucracy to devour two-thirds to three-quarters of every education dollar is nothing short of scandalous.

Congress has already taken a first step to curb growing State education bureaucracies by limiting to 1 percent the amount of funds that States can use for administrative expenses under the Chapter 1 program, the largest Federal elementary and secondary education program.

Congress included this limit in the 1988 Hawkins-Stafford Elementary and Secondary Improvement Amendments. However, no such limit was enacted

with respect to the amount of funds that local educational agencies can use for administrative expenses.

Consequently, according to an interim report on the implementation of the Chapter 1 program prepared for the U.S. Department of Education, as much as 20 percent of all Chapter 1 funds to local educational agencies is used to pay for salaries of noninstructional personnel and miscellaneous administrative expenses.

This means that we can conservatively estimate that last year, almost \$1.2 billion in Federal Chapter 1 funds that could have been used for direct in-classroom educational programs were used for noninstructional activities. That is a lot of money, even by Washington standards—\$1.2 billion. That is a lot of money for kids in impoverished areas who are not getting the classroom materials and the supplies and the teachers necessary to do the job.

Mr. President, a recent GAO study paints an even worse picture. Optimistically entitled "Compensatory Education: Most Chapter 1 Funds in Eight Districts Used for Classroom Services," this report actually found that 27 percent of the funds received by the eight districts studied went to pay for noninstructional personnel and administrative expenses.

Can you imagine that? In the poorest of the poor districts, 27 percent of the money went for noninstructional purposes.

Why do we allocate billions of dollars for a specific program to teach these youngsters, to give them an opportunity, and then allow billions to be wasted?

The bill that we introduce today would ensure that more Federal Chapter 1 funds go to teaching children by limiting the share of such funds used by local educational agencies for administrative expenses—defined as expenses other than salaries of instructional personnel and costs of instructional materials—to 10 percent.

I suggest that 10 percent of that \$6 billion is still an awful lot of money. I suggest if we want to really hire teachers and get instructional materials for these kids, that is what the money should be going for.

Ten percent is tremendous leeway. Why would we hold the States down to 1 percent, and have no cap on the local districts? So I think 10 percent certainly gives the leeway, the flexibility necessary.

This amendment would, in effect, cut in half what local districts are currently spending on administrative expenses, and thus would free an additional \$600 million to be used to provide needed educational services to children under the chapter 1 program.

That is a lot of money, even down in Washington. Imagine; we can see to it there is \$600 million made available to the classrooms for teaching these kids.

This is not complicated, nor should it be controversial as an amendment. It simply says we should require more chapter 1 dollars to be used to teach our children, instead of using them to support the fringes and the frills of a growing educational bureaucracy.

I believe it is time to free our schools and our schoolchildren from the tyranny of an overgrown bureaucracy. This amendment would help us do just that. I urge its passage.

Mr. President, let me suggest the one thing I have learned in my dozen years here, and in my 20 years prior to that in local government, is that we are losing touch with reality. Government has become the end-all and be-all for too many.

Schools are for educating youngsters. Hospitals are for taking care of sick people. They are not institutions that should be employment centers. We should begin to teach children and give them an opportunity, as opposed to taking these desperately needed funds and using them for a host of other activities that they were not intended for. Congress provides these funds to see to it that we get real educational opportunity into the districts that in many cases desperately need these funds. And we are not seeing to it that they are used that way.

So as hospitals should be for sick people, schools should be for the education for our youngsters; they should not be employment centers. That is what this bill is intended to do. Let us get rid of bureaucracy. Let us give Government back to the people. This is a way of saving money. This is a way of seeing to it money is properly allocated and properly used.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second at this time.

Mr. D'AMATO. 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. CHAFEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. CHAFEE. Mr. President, I ask unanimous consent that we might set aside the pending amendment of the distinguished Senator from New York.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment will be set aside.

AMENDMENT NO. 494

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

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Rhode Island [Mr. CHAFEE], for himself and Mr. PELL, proposes an amendment numbered 494.

On page 40, after line 16 insert:

Using funds heretofore appropriated in Public Law 102-377, the Chief of Engineers, United States Corps of Engineers, is directed to use \$750,000 to undertake work on the Cliff Walk, Rhode Island, Project as provided in the conference report accompanying H.R. 5373 (P.L. 102-377).

Mr. CHAFEE. Mr. President, this amendment really is self-explanatory. That is why I had it read, which I know is somewhat of a departure from the normal process around here.

It takes funds that have been previously appropriated and says, in accordance with the language that was in the conference report last year dealing with the Corps of Engineers, these funds—\$750,000—will be used to contribute toward the repair of the cliff walk in the city of Newport, RI. These funds would be matched 100 percent by funds from the local entity. In this instance, it would be the State of Rhode Island. The State of Rhode Island is ready to go. They have the funds. They are very anxious to get this season of construction under their belt.

Mr. President, I appreciate the fact that the distinguished floor managers of the underlying bill are prepared to accept this amendment. I thank them for it.

I want to say this is of some urgency. It is tragic to report that, because of the deteriorating condition of the cliff walk, which is used by many, many tourists, unfortunately, a woman died from a fall because of the unsatisfactory condition of the walk early this year. So this will help take care of those badly needed repairs and continue the construction of this historic walk.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, this is the kind of work that could have been done under the stimulus program, which the distinguished Senator, unfortunately, opposed. But it is the kind of work that I support. It is the kind of work I supported then and I am prepared to support it now.

I urge the Senate to agree to the amendment.

Mr. CHAFEE. Mr. President, I appreciate the position of the distinguished floor manager of the bill. As has been said before, to err is human, to forgive is divine.

Mr. BYRD. Is the Senator saying that I may be erring in urging the Senate to accept this amendment?

Mr. CHAFEE. No. I just mention that phrase, which we have heard so often. And if it seems applicable in any way, I think the more we look toward the forgiveness side of the distinguished senior Senator from West Virginia.

Mr. BYRD. I am very forgiving. That is why I am supporting this amendment.

The PRESIDING OFFICER. Is there further debate?

Hearing none, the question is on agreeing to the amendment of the Senator from Rhode Island [Mr. CHAFEE].

The amendment (No. 494) was agreed to.

Mr. CHAFEE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

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

Mr. D'AMATO. Mr. President, I would like to at this time renew my request for the yeas and nays on the amendment that has been laid aside—the amendment presently pending that has been set aside temporarily.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate?

The Senator from West Virginia [Mr. BYRD].

EN BLOC AMENDMENTS NO. 495 AND 496

(Purpose: To extend the authority of the Secretary of the Interior to acquire lands in the extension to the Petroglyph National Monument in Albuquerque, NM)

(Purpose: To provide sufficient resources to the Public Health Service agencies and the Indian Health Service to address health needs associated with the acute respiratory illness affecting the Four Corners Area)

Mr. BYRD. Mr. President, Mr. HATFIELD, the distinguished Senator from Oregon, and I offer two amendments: One amendment on behalf of Senators DOMENICI, MCCAIN, BINGAMAN, DECONCINI, CAMPBELL, and INOUE; and the other on behalf of Mr. DOMENICI.

We offer these amendments and ask unanimous consent they be considered en bloc.

Mr. President, I send these amendments to the desk and ask for their immediate consideration.

The PRESIDING OFFICER. The Clerk will report.

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD], for Mr. DOMENICI, proposes an amendment numbered 495. And the Senator from West Virginia [Mr. BYRD], for Mr. DOMENICI, for himself, Mr. MCCAIN, Mr. BINGAMAN, Mr. DECONCINI, Mr. CAMPBELL, and Mr. INOUE, proposes an amendment numbered 496.

Mr. BYRD. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

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

The en bloc amendments are as follows:

AMENDMENT No. 495

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

SEC. EXTENSION OF ACQUISITION AUTHORITY FOR THE PETROGLYPH NATIONAL MONUMENT

Section 104(b)(2) of Public Law 101-313 is amended by striking "three" and inserting "four" in lieu thereof.

AMENDMENT No. 496

On page 18, following line 8, add the following:

ASSISTANT SECRETARY FOR HEALTH
OFFICE OF THE ASSISTANT SECRETARY FOR
HEALTH

PUBLIC HEALTH EMERGENCY FUND

For carrying out section 319(a) of the Public Health Service Act with respect to the current public health emergency and any future emergencies created by the recent outbreak of acute illness which has resulted in respiratory failure among populations residing in the Four Corners area, where Arizona, Colorado, New Mexico, and Utah meet, \$6,000,000. *Provided*, That these amounts shall be available for any activity authorized under the Public Health Service Act and the Act of August 5, 1954 (68 Stat. 674) to respond to the recent outbreak and any future outbreaks of this acute illness: *Provided further*, That activities shall include, but not be limited to epidemic investigations and studies, local, State, and national surveillance; identification and characterization of the causative agent; development of recommendation for clinical management of ill persons; development and application diagnostic tests; evaluation of the rodent reservoir; development of control and prevention strategies; public and professional education; and direct and contract activities of the Indian Health Service including costs incurred by the Navajo Nation.

Mr. DOMENICI. Mr. President, I would appreciate it if the distinguished chairman of the Appropriations Committee would enter into a colloquy with me so I can be certain he fully understands my intentions in offering this amendment.

Mr. BYRD. I would be pleased to enter into a colloquy, and I appreciate the Senator's explanation.

Mr. DOMENICI. I thank the Senator. The purpose of my amendment is to cleanly resolve a situation involving the Petroglyph National Monument in Albuquerque, NM. Under the authorizing statute for the monument, the National Park Service may acquire up to 95 acres of land immediately adjacent to the park that are not within the park's current boundaries. This authority lapses on June 27, 1993.

In a June 8 letter to the Interior Appropriations Subcommittee, which the distinguished Senator from West Virginia chairs, the Department of the Interior informed the committee of its intent to proceed with a declaration of taking with a complaint in condemnation of 16 tracts of land at the monument. Is the chairman familiar with the Department's letter?

Mr. BYRD. I am.

Mr. DOMENICI. Now, it is not my intent to oppose the right of Interior and NPS to proceed with condemnation on these lands. I realize that this may be unavoidable. However, I am concerned that in the rush to meet the June 27

deadline, Interior may not be allowing itself adequate time for the resolution of several pending issues involving landowners in the area, which could affect the success of the acquisition.

My intent in offering this amendment is to grant NPS an extension to allow all the involved parties time to resolve these outstanding issues, rather than proceeding with the taking of property. My amendment would extend NPS' acquisition authority by 1 year.

Mr. BYRD. If his amendment is accepted, is it the Senator's intent that his language overtake the declaration of taking referred to in the Department's June 8 letter?

Mr. DOMENICI. That is my intent. I would prefer we grant NPS and the landowners time to resolve these issues, without rushing into a declaration of taking. I want to make it clear it is not my intention to drag this out for an undetermined amount of time. NPS has informed me 1 year will most likely be sufficient to settle these matters. I also want to stress to Interior and NPS my desire that they settle these issues and acquire the land as quickly as possible because, frankly, I do not want us, the landowners, or NPS facing a similar situation a year from now.

I also recognize that NPS may have no other options than to request a declaration of taking. At that time, they may request authority from the Congress. While I clearly hope this is not the case, I will leave them that option.

Mr. BYRD. I appreciate the clarification.

Mr. DOMENICI. I would also like the chairman to know that I respect the fact that offering an amendment of this type on an appropriations bill is unusual. I ordinarily would not make such a request. I would have preferred adding this language to a New Mexico public lands bill, but in this case, we are under a deadline, and time is of the essence. I know of the chairman's concern regarding this procedure, but I feel this is the best way to avoid aggravating an already volatile situation.

Mr. BYRD. I appreciate the Senator's understanding and respect for the process. With the caveats outlined by the Senator from New Mexico, I am willing to accept the amendment.

Mr. DOMENICI. I thank the chairman for his understanding and leadership on this issue.

Mr. BINGAMAN. Mr. President, I rise today in support of the amendment offered by my distinguished colleague from New Mexico, Senator DOMENICI. This modest but important amendment would provide an additional \$6 million in one-time funding to help the Public Health Service, the Navajo Nation, and the State of New Mexico in their ongoing effort to find solutions to a recent outbreak of serious illness in the Four Corners region of New Mexico, Arizona, Colorado, and Utah.

Our amendment is supported by a bipartisan group of our colleagues in the Congress, and the administration has assured me they will work with us on this issue. I am pleased that we have been able to unite our individual efforts in the Congress, within the administration, and at the local level to work toward making this funding available as swiftly and smoothly as possible.

The need for this additional funding—which is a one-time appropriation—has been well documented through a series of congressional briefings by the administration and through the national news media's extensive coverage of this issue. Over the past several weeks, a great number of news reports and articles have appeared about the illness and the tremendous public health effort to find answers as to cause, treatment and methods for prevention.

The intensive investigation underway, led by the Centers for Disease Control and Prevention, is very impressive and already has made tremendous progress. This level of progress has been possible because all the key experts and entities are united and working together to find definitive answers to the illness. Early on in New Mexico, the Navajo Nation, the Indian Health Service, the New Mexico Department of Health, the University of New Mexico Hospital, and the CDC began coordinating their efforts and their considerable scientific and medical skill for the benefit of all.

Their investigation recently has yielded strong preliminary evidence as to the causes of the illness and methods for treatment and prevention. According to CDC and New Mexico officials, laboratory evidence indicates that the illness is caused by an unusual virus known as hantavirus, which is carried by rodents such as the deer mouse. Researchers suspect, but have not yet definitively confirmed, that this is probably a new virus or a variant of a known virus. They believe humans become infected with the virus by inhaling particles of mouse droppings and urine. More tests and studies are necessary before final determinations can be made regarding these critical issues, but a dedicated and extremely capable team is working around the clock on them.

Working together, the CDC, the State of New Mexico, and the Navajo Nation have developed a series of recommendations for reducing exposure to the virus. This information is being widely disseminated and explained to residents throughout the region. The team has developed criteria for diagnosis and has published comprehensive recommendations for treatment. Both the criteria and treatment recommendations are regularly updated, as the investigation yields new information.

Mr. President, it is our duty to help protect the public health and ensure that this important work continue. We need to do what we can to relieve the additional illness-caused stress on already overburdened health care delivery system, particularly among Indian Health Service facilities and providers. We need to help ensure that the CDC has the personnel and resources it needs to conclusively determine the cause or causes of the illness. The CDC's unique ability to investigate reports of problems like this and identify the associated risk factors must not be comprised.

I believe all available resources need to be devoted to finding solutions to this problem and to providing all Americans with the peace of mind they need to feel secure in their homes and environment. This amendment will provide a measure of that security, and I urge its immediate passage.

Mr. MCCAIN. Mr. President, I rise to join my colleague, Senator DOMENICI, in offering this emergency amendment providing \$8 million to cover current costs and projected expenditures for the mystery illness that has occurred in the Southwestern United States over the last month.

As many of my colleagues are aware, beginning in May of this year, several persons suffered from cases of acute illness characterized by fever, myalgias, headache, and cough, followed by rapid development of respiratory failure. Unfortunately, 16 people have succumbed to this mysterious ailment. Nine of these individuals were of Navajo descent. However, contrary to the mistaken impression adopted by some people, this mystery illness has nothing to do with the ethnicity of these individuals. How anyone could reach such a conclusion is beyond me, but I regret to inform the Senate that there are several reports of various acts of discrimination carried out against the Navajo people as a result of this illness. These acts of discrimination against the Navajo people must stop, and I join President Peterson Zah of the Navajo Nation, in asking everyone: The citizens of Arizona, New Mexico, Utah, and Colorado, elected officials, and the news media to refrain from referring to this illness as unique to the Navajo people. To do so only adds to the tragedy that has befallen the Southwest and to the sorrow of the families and friends of those whose lives have been taken by this ailment.

Mr. President, the Senator from New Mexico has adequately described our amendment. This is indeed a matter that is an emergency. The funds which would be provided by our amendment are necessary to prevent this illness from spreading to other areas.

Some may question why the Congress has not acted earlier. The fact is that since the illness began in May the Center for Disease Control, the Indian

Health Service, the Navajo Nation, New Mexico, Arizona, Colorado, and Utah departments of health have been doing everything possible to locate the cause of this illness. The men and women from each of these agencies have literally spent thousands of hours investigating this matter. They deserve our respect and admiration. By their efforts, I am confident that both the cause and the methods to combat this illness will eventually be found.

Mr. President, I commend the Senator from New Mexico for his leadership on this important matter.

The PRESIDING OFFICER. Is there further debate?

Mr. BYRD. Mr. President, both managers support these amendments. We are ready to ask for a vote on them.

Mr. HATFIELD. Mr. President, the amendments have been cleared on this side.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendments.

The en bloc amendments—Nos. 495 and 496—were agreed to.

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

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Oregon, Mr. Hatfield.

Mr. HATFIELD. Mr. President, the hour is now almost 5 o'clock. According to the unanimous consent that embodied the amendments to be considered and a vote not later than 7, there are now 2 hours until the final vote I count 23 amendments that have not been acted upon.

The Senator from New York and others are here, of course, to have certain amendments considered that involve the authorization committee. I think we gave notice to the authorizing committees on these amendments some 1 hour ago. I hope their interest in this matter would be reflected by their appearance on the floor because I do not know that we should hold merely to get the opinion of the authorizing committees if they have not indicated a greater interest in expressing those opinions.

So I only indicate that there are 23 amendments yet to be considered and we have 2 hours to go. That means all amendments are finished in 2 hours unless they have been acted upon, disposed of. I merely ask my chairman if that is his count and to give due warning that when people come in at 2 minutes to 7 and want their amendment, I am not going to agree to a unanimous consent to extend the time.

Mr. BYRD. Mr. President, I share the views that have been so ably expressed by the distinguished Senator from Oregon [Mr. HATFIELD]. I hope Senators will come to the floor and speak on the

amendments that are now pending, or offer other amendments that are on the list if we can get agreement to set the pending amendments aside so we can continue to make progress.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New York [Mr. D'AMATO] is recognized.

Mr. D'AMATO. Mr. President, I thank the two managers for having stated the case. I now have two amendments. One has been for about an hour and another one that has been set aside but has been at the desk for some time. I know of no opposition. I am not in a position to say that the authorizing committees have cleared them or will be in favor, but I hope we could get votes.

I do not intend to keep colleagues unnecessarily from proceeding, but at some point I would raise objection to laying aside the amendments, if that is what it takes to get some kind of action and resolve before 7 o'clock on these two amendments.

If my colleagues are not going to move one way or the other, why, then we will have the whole process come to what we have learned to be that often-repeated word "gridlock," if that is the only way we can get them to move.

I have not done that. I do not want to do it. But I hope that at some point in time we could resolve these matters with a vote, one way or the other.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from West Virginia [Mr. BYRD].

Does the Senator from West Virginia seek recognition?

Mr. BYRD. Mr. President, I thank the Chair. I suggest the absence of a quorum.

Several Senators addressed the Chair.

Mr. BYRD. Mr. President, I withhold my suggestion.

The PRESIDING OFFICER. The Chair recognizes the Senator from Colorado [Mr. BROWN].

AMENDMENT NO. 497

(Purpose: To express the sense of the Senate regarding the need to eliminate price-gouging in the transportation of food assistance to Russia)

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

The PRESIDING OFFICER. The clerk will now report the amendment of the Senator from Colorado.

Mr. BROWN. Before we proceed with the amendment, I ask unanimous consent the D'Amato amendment be temporarily set aside.

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

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. BROWN], for himself, Mr. DOLE, Mrs. KASSEBAUM, Mr.

GRASSLEY, Mr. PRESSLER, Mr. LUGAR, Mr. DURENBERGER, and Mr. CRAIG, proposes an amendment numbered 497.

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

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

The amendment is as follows:

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

SEC. . SENSE OF THE SENATE ON TRANSPORTATION OF FOOD ASSISTANCE TO RUSSIA.

(a) FINDINGS.—The Senate finds that—

(1) on April 3, 1993, in Vancouver, Canada, the President of the United States and the President of the Russian Federation announced a \$1,600,000,000 aid package for Russia, including \$700,000,000 in food assistance;

(2) the provision of food assistance announced at the Vancouver summit is a vital sign of United States support for Russia's continued movement toward democracy and transition to a market economy;

(3) on May 3, 1993, the United States Government and the Government of Russia reached initial agreement on the \$700,000,000 in food assistance to be extended by the United States to Russia;

(4) the agreement stipulated that while \$500,000,000 of the United States food aid package will be used for Russia to purchase United States agriculture commodities, the remaining \$200,000,000, as estimated by the Administration, will be used solely to cover the cost of transportation;

(5) the Administration announced that 75 percent of the commodities would be shipped on United States-flag commercial vessels under United States cargo preference requirements;

(6) United States cargo preference laws require at least 75 percent of United States food assistance shipped overseas to be shipped on United States-flag commercial vessels;

(7) this requirement eliminates competition and encourages carriers to charge the United States Government rates two or three hundred percent above world market shipping rates;

(8) the current world market shipping rate is between \$25 and \$35 per metric ton;

(9) carriers, anticipating the elimination of competition, have offered bids for shipping the grain to Russia between \$75 and \$138 per metric ton;

(10) these bids are up to 5 times greater than comparable world rates;

(11) the cost of the grain itself is approximately \$100 per metric ton;

(12) the effect of the cargo preference requirements is to increase the cost of transportation so that it nearly equals or exceeds the cost of the grain itself; and

(13) the effect of the cargo preference requirements increases the taxpayer cost of assistance to Russia.

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

(1) the food assistance provided by the United States Government to Russia has been supported and approved to meet the dire humanitarian needs of the Russian people;

(2) the increased cost of assistance to Russia resulting from cargo preference requirements could adversely effect the progress of democracy and market development in Russia; and

(3) at a minimum, the President should not permit Federal agencies to accept bids from

any carrier that are more than double competitive world market rates.

Mr. GRASSLEY addressed the Chair. The PRESIDING OFFICER. The Senator from Colorado has the floor.

Mr. BROWN. Mr. President, the amendment that is before the Senate is a sense-of-the-Senate amendment dealing with cargo preference. The measure is one that deals not so much with cargo preference as it does with price gouging. Let me be specific.

Members of this body have had the opportunity and have gone on record with regard to the cargo preference provisions. They are not the major concern that is presented here, but they are related. This body and this Nation knows how to deal with price gougers. Our economic history and our political history is replete with American men and women standing up when someone tries to take advantage of them.

When an oil cartel was put together, when an oil monopoly was put together in this country, the citizens of this Nation and this very Senate stood up to pass legislation that said trusts and monopolies are not going to be tolerated.

When the railroads price gouged the farmers and manufacturers of this country, this Senate and this Nation stood up and created the Interstate Commerce Commission and other regulatory provisions to stop the ripoff of the American taxpayers and the American workers.

Today, this Nation faces another challenge. It is a challenge created in, incredibly, the transport of emergency humanitarian assistance to the former Soviet Union. Incredibly, in the name of humanitarian help, people who operate under the cargo preference provisions have taken advantage of their near-monopoly situation to absolutely rip off the taxpayers of this Nation. I do not exaggerate, Mr. President. This is a shameful, disgraceful abuse of the American taxpayers.

The world rates for transporting grain from the United States to Russia run from \$25 to \$35 a ton. Those are pretty straightforward facts. They are pretty well acknowledged by the industry. And in the past, grain shipped under the cargo preference provisions that our laws provide for have been transported at expenses slightly above the world market, at times as high as 25 or 30 percent more than the world market.

But with the huge increase in humanitarian shipments of grain, something dramatic has happened. Ensuring a monopoly, those who qualify for cargo preference have begun to increase the amount they would charge the United States for shipping this grain. Apparently, the fact that they are taking advantage of people who are literally starving is not enough to stop these business men and women from gouging the American public.

(Ms. MIKULSKI assumed the chair.)

Mr. BROWN. Madam President, the cargo rate went from 25 percent above world competitive rates to 50 percent above world competitive rates to 100 percent above world competitive rates to 200 percent above world competitive rates, and then to 300 percent and 400 percent.

Incredibly, Madam President, the cost of transporting grain is not \$25 that appears on the world market, but \$138 for the last bit that came down; \$138 per ton to transport grain that can be transferred at \$25 per ton.

It makes no sense to make the American taxpayers subject to this kind of ripoff. It is incredible that it would happen on a humanitarian aid effort where we are literally transporting food to assist those who are starving.

The cost of transporting grain to Russia will be more than the entire cost of the grain itself if these rates persist.

This was seen earlier in aid to Africa where, in 1991, we shipped \$447 million of grain to Africa and the transportation cost went up fivefold, to \$488 million, more than the entire cost of the grain.

This is a simple amendment. It simply urges the President, when the cost of transportation gets to be more than double what world market rates are, that the President not continue the cargo preference provision. It simply urges the President to put a cap on how much the American taxpayers will pay.

I will not spend time nor go into detail as to what I think of those who would take advantage of this Nation and take advantage of those who are hungry and need this help. But I think every American who has to foot this bill can imagine what we think of the people who have taken advantage of their monopoly situation.

I would like to deal with it legislatively, with a strong legislative remedy that curtails the potential abuse that has taken place because of this monopoly.

This amendment simply says there ought to be a limit and urges the President to use his powers that are granted him under the law to put a limit of at least 200 percent above what world market rates are.

But I hope this Chamber will not be satisfied with this sense-of-the-Senate measure. My hope is that this Chamber will move in future sessions to correct the monopoly that they have created.

Madam President, I have two letters, one from the American Great Lakes Ports that has endorsed this amendment, and one from the U.S. Coal Exporters that has endorsed this amendment, pointing out their concerns. I ask unanimous consent that these be printed in the RECORD.

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

COAL EXPORTERS ASSOCIATION
OF THE UNITED STATES, INC.,
Washington, DC, June 22, 1993.

Hon. HANK BROWN,
U.S. Senate, Hart Senate Office Building,
Washington, DC.

DEAR SENATOR BROWN: I want to commend you for your continued efforts to raise the public's level of awareness of the cargo preference requirements in general and specifically as they relate to the U.S. agreement to send food assistance to the Russian Federation. In this regard, I support the Sense of the Senate amendment you intend to offer to the Supplemental Appropriations bill.

While the U.S. coal industry is obviously not impacted by the agreement with Russia, the members of the National Coal Association (NCA) and its affiliate, the Coal Exporters Association (CEA) appreciate the merits of your arguments against the cargo preference requirement in this case. The U.S. coal exporters are not opposed to any attempts to revitalize the U.S. merchant marine fleet. If possible, our exporting companies would use U.S. vessels for the ocean transport of their coal; however, the rates for these vessels are as much as two to three times than those for foreign-flagged vessels. The international coal market is extremely competitive and contracts for export coal are won or lost by \$.25 per ton or less.

U.S. flag vessels should always provide competitive rates, especially in cases involving humanitarian aid. If our nation's exporters have to be competitive in the world market to survive, so should our maritime industry.

Sincerely,

PAUL VINING,
Chairman, Coal Exporters Association.
RICHARD L. LAWSON,
President,
National Coal Association.

AMERICAN GREAT LAKES PORTS,
May 26, 1993.

HANK BROWN,
U.S. Senator, Hart Senate Office Building,
Washington, DC

DEAR SENATOR BROWN: As American ports on the Great Lakes, we support the U.S. merchant marine and would like to see it become a healthy and internationally competitive part of the American economy. Unfortunately, under the present subsidy system, the U.S. flag fleet has not remained internationally competitive. Rather, the fleet has gone into serious decline. Also, while we continue to have foreign flag visits, U.S. flag vessels no longer provide regular ocean-going service to the Great Lakes. We would like to see a return of American ocean ships to our ports.

Cargo preference has been one of the elements of the subsidy system which, in its present form, fails to promote international competitiveness of the U.S. merchant marine. To the contrary, its payments are not related to world market prices, with a result that its costs to the government currently are budgeted at some \$600 million a year. This money would be better spent for commodities and for promoting competitiveness of U.S. ocean carriers. Furthermore, the exclusionary aspect of cargo preference effectively denies opportunities for most government cargo business to ports such as those in the Great Lakes because of our lack of U.S.-flag ocean-going service.

We believe you are taking a commendable step in introducing legislation which focuses on the need to make the U.S. flag fleet more competitive internationally. Such emphasis

is vital to the success of an American merchant marine in the future.

Sincerely yours,

JOHN M. LOFTIS,
Chairman,
American Great Lakes Ports.

Mr. BROWN. Madam President, I reserve the remainder of my time.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Madam President, let me make a very brief statement.

First of all, many know that New York is a very great port State. Being concerned about the decline in our shipping and in our ability to compete and the necessity to keep a merchant fleet, I want it known that I have always opposed doing away with cargo preference. I have done so because I think that without it, we cannot compete dollar-for-dollar with other nations that have labor that approaches that of almost slave labor, in certain cases, and that we would just be without the ability to compete against those nations.

But I have to commend my colleague from Colorado who crafted legislation which says that you just cannot take advantage of this and charge whatever you want, increasing the prices beyond reason, increasing the prices beyond what will give a fair and reasonable return. That is wrong.

I will support the Senator's amendment. This will be the first time in my 12 years here that I have not given my support to an industry that I think is entitled to it, but when you are charging so much more than the actual value of the product delivered, then, by gosh, you have gone too far.

I commend the Senator for his sensible approach in urging the President to deal with this issue and keep these prices in line.

I will be supportive of this sense-of-the-Senate amendment that my colleague from Colorado has offered.

Mr. GRASSLEY addressed the Chair. The PRESIDING OFFICER. The Senator from Iowa is recognized.

AMENDMENT NO. 498 TO AMENDMENT NO. 497

(Purpose: To express the sense of the Senate regarding the need to eliminate price-gouging in the transportation of food assistance to Russia)

Mr. GRASSLEY. Madam President, I send to the desk a second-degree amendment to the amendment of the Senator from Colorado and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. GRASSLEY] proposes an amendment numbered 498 to amendment No. 497.

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

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

The amendment is as follows:

In the amendment, strike out all after "SEC." and insert in lieu thereof the following:

SENSE OF THE SENATE ON TRANSPORTATION OF FOOD ASSISTANCE TO RUSSIA.

(a) FINDINGS.—The Senate finds that—

(1) on April 3, 1993, in Vancouver, Canada, the President of the United States and the President of the Russian Federation announced a \$1,600,000,000 aid package for Russia, including \$700,000,000 in food assistance;

(2) the provision of food assistance announced at the Vancouver summit is a vital sign of United States support for Russia's continued movement toward democracy and transition to a market economy;

(3) on May 3, 1993, the United States Government and the Government of Russia reached initial agreement on the \$700,000,000 in food assistance to be extended by the United States to Russia;

(4) the agreement stipulated that while \$500,000,000 of the United States food aid package will be used for Russia to purchase United States agricultural commodities, the remaining \$200,000,000, as estimated by the Administration, will be used solely to cover the cost of transportation;

(5) the Administration announced that 75 percent of the commodities would be shipped on United States-flag commercial vessels under United States cargo preference requirements;

(6) United States cargo preference laws require at least 75 percent of United States food assistance shipped overseas to be shipped on United States-flag commercial vessels;

(7) this requirement eliminates competition and encourages carriers to charge the United States Government rates two or three hundred percent above world market shipping rates;

(8) the current world market shipping rate is between \$25 and \$35 per metric ton;

(9) carriers, anticipating the elimination of competition, have offered bids for shipping the grain to Russia between \$75 and \$138 per metric ton;

(10) these bids are up to 5 times greater than comparable world rates;

(11) the cost of the grain itself is approximately \$100 per metric ton;

(12) the effect of the cargo preference requirements is to increase the cost of transportation so that it nearly equals or exceeds the cost of the grain itself; and

(13) the effect of the cargo preference requirements increases the taxpayer cost of assistance to Russia.

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

(1) the food assistance provided by the United States Government to Russia has been supported and approved to meet the dire humanitarian needs of the Russian people;

(2) the increased cost of assistance to Russia resulting from cargo preference requirements could adversely affect the progress of democracy and market development in Russia; and

(3) at a minimum, the President should not permit Federal agencies to accept bids from any carrier that are more than 50 percent above competitive world market rates.

Mr. GRASSLEY. My second-degree amendment, Madam President, is identical to the one of the Senator from Colorado except for it being a sense of the Senate that no bid submitted by

U.S. merchant marine companies for preference cargo should be accepted if those bids are 50 percent higher than those available at world competitive prices, whereas my colleague from Colorado would say twice the competitive markets.

I would first like to submit for the RECORD on April 22, 1993, letter that I sent to President Clinton, and a "Dear Colleague" letter that I recently sent to Members of Congress regarding the Russian aid transportation package.

I ask unanimous consent that they be printed in the RECORD.

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

U.S. SENATE,
Washington, DC.

DEAR COLLEAGUE: On April 20, a U.S.-flag bid of \$138 per ton for Russian food was tendered, 4 times world rates and well over the cost of the food! How will Yeltsin explain to his critics that the loan Russia must repay may cover less for food than for U.S.-flag subsidies?

The welfare queens of the high seas have struck again, plundering the American taxpayer with legalized piracy, i.e., cargo preference!

Taxpayers already subsidize U.S.-flag companies through cargo preference at a rate of \$250,000 per billet per year. (The average cost of a military billet is around \$35,000 per year.)

I have written the President urging him to temporarily waive cargo preference for the Russian food package under authority granted him under Title 46, Section 1241(b)(1), USCA. You may want to as well.

Sincerely,

CHARLES E. GRASSLEY,
U.S. Senator.

U.S. SENATE,
Washington, DC, April 22, 1993.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: I commend the Russia aid package as a crucial investment toward democracy, peace and security for both nations, and for the world generally. As Congress stated in passing the FREEDOM Support Act, "failure to meet the opportunities presented" by the current developments in the former Soviet Union "could threaten United States national security interests * * *"

I support also your statement that we must "make sure that the money is well spent." It is absolutely necessary to get the most possible from this substantial investment through prompt, efficient and economical implementation.

Unfortunately, the \$894 million food package is being damaged by delays and unnecessary heavy costs due to cargo preference requirements. If the requirements continue to prevail, well over 40 percent of this loan assistance will be spent for ocean transportation rather than food for the Russian people which is the purpose of the program.

In fact, on April 20, 1993, a U.S.-flag bid came in at \$138 per ton, well over the approximate \$100 per ton cost of the food.

The excessive cargo preference costs also risk compounding President Yeltsin's domestic problems. In explaining the additional foreign debt Russia incurs from this food package, he will have to justify payments to

U.S.-flag shipping at 3-4 times world rates instead of spending this money for food.

Mr. President, there is an appropriate solution to the problem imposed by cargo preference in this instance. The applicable cargo preference statute (Title 46, Sec. 1241(b)(1) USCA) provides that you can temporarily waive the cargo preference requirements if an emergency exists. Such a finding of an "emergency" should not be difficult. I understand you are currently exploring the use of Title 7, which requires a finding of "extraordinary emergency," in order to transfer funds within USDA to cover this Russian aid package.

The current situation clearly involves an emergency. The entire Russian aid program is justified because of the historic developments now underway in Russia, and which, as the FREEDOM Support Act has stated, are related to United States security interests. The waiver would not affect the cargo preference and other subsidies which would continue to U.S.-flag companies under regular U.S. government programs. But it would allow the Russian food aid program to go forward with its fullest use for its intended purpose.

In fact, it is likely that if you waive cargo preference, Russia would be able to handle all the transportation costs by simply utilizing their own vessels. I recommend that you pursue this question with Russian officials.

In sum, I support the Russian aid package and implementing it to get full value. Cargo preference is not needed for the program and tends to undermine its goals. Let us make certain our tax dollars are spent wisely.

Sincerely,

CHARLES E. GRASSLEY,
U.S. Senator.

Mr. GRASSLEY. The heart of the Russian aid problem, of course, is cargo preference, a back-door, hidden subsidy to our United States-flag merchant marine. As you can see from the letters that are circulated to the Members of the Senate, on the desks here, when I heard about the \$138 bid by U.S.-flag interests, I stated that the "welfare queens of the high seas have struck again, plundering the American taxpayer with legalized piracy," and my reference was to cargo preference.

I wish to be frank about it. The blame lies with Congress and with the executive branch, and not just this administration; over a long period of time we have had to fight these battles, even when we had Republican Presidents. Too many buckle to the political pressure of maritime interests and refuse to scrutinize and reform our maritime programs.

Cargo preference really has an impact upon our foreign policy initiative aimed at helping Russia. President Clinton announced his intentions to help President Yeltsin and the Russian people by providing, among other things, a \$700 million loan to buy food.

With U.S.-flag bids coming in as high as \$138 per ton more than the cost of the food and well over four times world rates, it becomes clear that cargo preference is undermining foreign policy initiatives.

Can you imagine President Yeltsin trying to explain to his domestic crit-

ics—and his most frequent critics happen to be old-time Communists—that he took a loan from the United States, 40 percent of which must be spent on helping to subsidize United States seafarers instead of buying food for the Russian people? And, in fact, that is exactly the warnings we received during recent visits with Russians who came here to negotiate these agreements.

We can do a lot about it, however. Under cargo preference law, the President can declare an emergency exists and temporarily waive cargo preference. In fact, House Report 2329 to the 1954 cargo preference law states that:

The need for some flexibility was recognized in extraordinary situations, for which reason the bill incorporates the provision that in an emergency, the Congress, by concurrent resolution, or the President, or the Secretary of Defense, may waive its provisions.

If we did declare such an emergency, Russia might be able to pay for the transportation itself at world rates, leaving more of our help to the purchase of food for the sake of helping the Russian people.

But instead of finding that a just plain, simple emergency exists so as to waive cargo preference and to save the taxpayer over \$100 million, the administration has decided to find that an extraordinary emergency exists, and which by law allows the transfer of about \$385 million in funds within the USDA. And for each \$100 million, you are talking about 2,000 American jobs lost.

So you see, since Russia is picking up the world rate transportation costs, the real effect of declaring an extraordinary emergency is to subsidize United States flagships with cargo preference. It is ironic, to say the least.

While the administration has found a way of avoiding a foreign policy fiasco, it chose the option costing taxpayers an extra \$100 million to pay U.S.-flags.

Supposedly, our maritime subsidy is aimed at maintaining the so-called fourth arm of national defense so that in times of war we have U.S. seafarers and U.S.-flag vessels to ship our defense equipment and goods.

Note that regular military billets through the rank of captain average around \$32,000 per year. According to OMB and according to MarAd and their data, cargo preference subsidizes at a rate of \$250,000 per billet per year. Is this a wise expenditure of defense dollars compared to what we pay full-time Navy personnel?

During the Persian Gulf war, reservists from all walks of life were called to arms, dodging real bullets in the war zone, and for this they might receive a war bonus of \$150 per month—people who are full-time military or reservists.

But not U.S. seafarers of the fourth arm of defense, our merchant fleet.

After years of subsidized salaries and benefits, some told Uncle Sam "Thanks, but no thanks," when called for Persian Gulf duty. Those who did serve and entered the war zone were paid a war bonus at a rate of 100 percent base pay.

Had their vessel actually drawn hostile fire, they would have been eligible for an extra \$600 per day for each day attacked.

The Maritime Administration reported that one seafarers collected \$15,700 in war bonuses during a 2-month period. Again, compare that to the \$150 per month war bonus for regular and reservist military.

In September 1990, U.S. News reported that the Pentagon was miffed because two U.S.-flag carriers charged \$70,000 to send war materiel to the gulf that could have been sent for \$6,000 at world competitive rates.

The fourth arm of national defense then is a myth, and at the same time it is a very costly myth. Unfortunately, we have turned a once proud, mighty U.S. merchant marine into the welfare queens of the high seas.

They are quick to point to farm subsidies, a comparison which makes absolutely no sense. And why does it make no sense? Remember what we were calling defense contractors? We were calling them welfare queens, as the \$400 hammers and the pliers started surfacing 10 years ago. Would we not have been amused had they argued, \$1,800 toilet seats were OK because farmers get subsidies?

You see, the farmers that I represent do not like depending upon the Government for subsidies. That is why farmers have pushed hard to put their subsidies on the GATT negotiating table. They want to fight unfair foreign farm subsidies through GATT negotiations.

But not the U.S.-flag carriers. The U.S. seafarers cry "unfair foreign subsidies" but scream at the thought of putting their lucrative subsidies on the GATT table in the international negotiations. They fight against resolving these problems at the General Agreement on Tariff and Trade negotiations. Our U.S.-flag industry has no interest in competing in the real marketplace, not as long as they can collect these subsidies.

Farm programs are reviewed and reformed at least every 4 to 5 years. They are scrutinized constantly and, through the budget process, frequently cut every year or two, and we are seeing them cut \$3 billion in the reconciliation bill that we are going to start negotiating tomorrow.

Not so for maritime. The less we know about their programs, the better they like it. In fact, had it not been for my request that OMB list cargo preference costs each year, we would likely never have obtained a comprehensive, accurate report of the cost of cargo preference. OMB reported fiscal year

1991 cargo preference costs at nearly \$1.1 billion. In fiscal year 1992, it cost \$548 million, and in fiscal year 1993, \$595 million.

So let me remind my colleagues at this point that what we are talking about is the difference between world rates and U.S.-flag rates. That difference represents the cargo preference subsidy. But the amendment by myself or the amendment by the Senator from Colorado does not say that there should not be any subsidy. We allowed a subsidy to be maintained, but we simply say that the subsidy should be capped so that it is reasonable.

The Maritime Administration tells me that about 2,024 billets are supported by cargo preference. Another 2,300 billets are supported by operating differential subsidies, and the remaining 5,000 or so ocean-going billets are supported by the Jones Act.

Operating differentials subsidize each vessel so that it can compete against foreign flag companies. It runs a little over \$100,000 per billet.

Cargo preference costs taxpayers \$250,000 per billet. Where is that extra \$150,000 per billet going? Whose pocket is it going into? And why thus far do we in Congress not care? We limit farm subsidies to \$50,000 per farm and we scrutinize defense spending. Why not scrutinize maritime to the same extent and limit it to the same extent as we limit it in these amendments?

One problem is that Congress never bothered to legislate what was a definition of "fair and reasonable rates." As most other agencies who struggle under cargo preference will attest, just about anything is "fair and reasonable" if left to the Maritime Administration. This is also how defense prices soared during the 1980's.

I recommend that we require MarAd officials to explain thoroughly this system that they have set up. I think you will find that they allow each U.S.-flag company to submit data on capital and operating costs per vessel, and then MarAd establishes a range of rates varying by cargo and other circumstances. I believe that they also factor into this analysis a margin of profit for each voyage.

It would be like setting up a farm program geared to each farm. Farmer Jones could come in and report that his labor costs are very high, that his wife charges him \$100,000 per year and that his three children charge him \$80,000 per year. As CEO, Farmer Jones would allocate himself \$200,000 per year. The farm be just bought from his brother cost him \$10,000 per acre, and the tractor cost \$200,000. MarAd would add all of this up for Farmer Jones and would then conclude that is all fair and reasonable and agree to pay Farmer Jones \$15 per bushel of corn even though corn at the world market sells at \$2 per bushel.

I hope it is not that fast and loose. But we need to put MarAd on the hot seat to explain it.

Again, if the operating differential subsidies at \$100,000 per billet, and that puts U.S.-flag companies on a level playing field with foreign competition, where is the extra \$150,000 per billet from cargo preference going? As it stands, there are few incentives for our U.S.-flag companies and seafarers to become competitors and to become efficient. Congress must insist upon a top-to-bottom audit and analysis of our maritime subsidies. We should do away with cargo preference and replace it with a system similar to the right of first refusal.

We can provide prudent, aboveboard, direct subsidies that can be scrutinized year in and year out. But if they do not offer bids that are competitive with world rates, then they should not have any right to carry the cargoes.

A direct subsidy could provide a prudent level of income for U.S. seafarers. I am not talking about Third World wages, but there would be nothing wrong with limiting their subsidy as we propose in these amendments to 50 or 100 percent above world market rates.

At the same time it is even reasonable to assume, for a long-term policy, that we ought to have some comparability between what is paid in military billets versus what is paid in merchant marine billets. If they want to be the fourth arm of national defense, then they can start acting like it.

Cargo preference, under its current form, undermines our current policy initiatives as it is doing here with what President Clinton is trying to do in helping Russia. It takes food from the mouths of the starving overseas and it inflates the costs of programs of other agencies, particularly that of Defense, State and Agriculture.

The time for change is long overdue. What we need to do after 40 years is maybe not do away with cargo preference, as my remarks and the remarks of the Senator from Colorado might be interpreted; but it might be time to limit it, as we are doing. It might be time to rewrite the whole maritime program, including cargo preference, so that, in fact, it serves the national defense purposes that it was originally intended to serve. Because, you know, we started out 40 years ago with over 1,000 ships. We are down to about 360 now. Reform must be written so that it will meet the national security needs of our Nation, so that the next time we have a Persian Gulf we will not face a situation we had then, where only a small percentage of our cargo, material, was transported on American Commercial flagships.

We can accomplish that. If it takes a subsidy to accomplish that, we can have that subsidy aboveboard. We can

have that subsidy appropriated annually by the Congress. We can have an up-front decision by the Congress of the United States that it is legitimate and ought to be paid.

I think that is about all that we need to do to make this work. But we cannot allow the current situation to exist where we are getting bids at four to five times world rates and at the same time, while paying those higher rates, not having our national defense needs met.

Madam President, before I yield the floor, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HATFIELD. Madam President, it is now 5:30, and we have 1½ hours left to consider 12 more amendments. If I could have the attention of my colleagues for just a moment. Madam President, we have four rollcalls now pending. We have 12 amendments left to be considered beyond those four rollcalls. I urge my colleagues to be considerate of the other colleagues and not involve themselves in long dissertations at this point in time because, as I have indicated before, I will object to any extension of the time beyond 7 o'clock. That means if we do not have a rollcall, we do not have a rollcall.

Madam President, correct me if I am wrong, the rollcalls have to be completed by 7 o'clock as well; is that correct?

The PRESIDING OFFICER. All pending amendments must be disposed of by 7 o'clock.

Mr. HATFIELD. I want to indicate again that I shall object to any extension of time. So if we do not have a rollcall, it is because people have not been considerate on how long they are speaking on an amendment. I urge the consideration of the colleagues if they want the rollcalls.

Mr. BROWN. Madam President, I talked with the distinguished Senator from Iowa. He is willing to forgo a rollcall on his amendment, and I—

Mr. GRASSLEY. If the Senator has one on his.

Mr. BROWN. I ask unanimous consent that we move, after 5 minutes of additional debate, and I assume opposition to the amendment may wish to speak.

Mr. HATFIELD. Does the Senator indicate that the Senator from Iowa would like to vitiate his rollcall request and defer to the original sense-of-the-Senate?

Mr. BROWN. With the understanding that we have the yeas and nays ordered at a time certain on the underlying amendment, as well as the D'Amato amendment.

Mr. HATFIELD. I object to a time certain, because we have other amendments that have been offered before the Senator from Colorado, and they should proceed in an orderly fashion.

Mr. BROWN. I appreciate that. I wonder if it would be the Senator's pleasure to set limitation on this amendment?

Mr. HATFIELD. I just want the consideration on the length of time the Senators speak.

Mr. BROWN. Madam President, I ask for the yeas and nays on my underlying amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Chair wishes to ask, does the Senator from Iowa wish to make a unanimous-consent request?

Mr. GRASSLEY. Yes. I ask unanimous consent to vitiate a rollcall on my amendment.

The PRESIDING OFFICER. Is there objection to the Senator's request to vitiate?

Hearing none, without objection, it is so ordered. The yeas and nays are vitiated.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

AMENDMENT NO. 496

Mr. DOMENICI. Madam President, I thank the chairman of the Appropriations Committee and the ranking Republican Member, Senator BYRD and Senator HATFIELD, for helping the Senator from New Mexico and Senator BINGAMAN, Senator DECONCINI, and Senator MCCAIN, Senator CAMPBELL and Senator INOUE get an amendment adopted on the so-called mystery disease that has hit the Four Corners area.

The \$6 million will replenish what has been spent in a rather extraordinary cooperative effort between the Federal Government and its agencies, the respective States, and tribal officials. We did that without having to declare an emergency and not being subject to a point of order, because they wanted to help us, and we sincerely thank them for that.

Madam President, Peterson Zah of the Navajo Nation came to Washington, DC, to seek necessary assistance for the continuing medical and scientific campaign against the Four Corners mystery disease. He personally asked me to help the Navajo Nation meet their emergency costs incurred in their response to this deadly disease. As a result of that meeting, I decided to sponsor an amendment to the supplemental appropriations bill to add \$6 million to cover the current and projected costs of this public health emergency. This amendment will meet the current and projected costs of the key investigators and medical personnel of the Centers for Disease Control, the Indian Health Service, State health departments, and the Navajo Nation.

As of today, there are 16 known deaths and 29 known cases in the Four

Corners area. The four primary States affected are New Mexico, Arizona, Colorado, and Utah. Indians, Anglos, and one Hispanic have been stricken, seemingly at random. The most recent case appears to be in California.

Often the victims are young. Their lungs fill with fluids and the bloodstream is deprived of oxygen. Death can and has occurred in a matter of hours due to respiratory failure. Symptoms are flu-like muscle aches, fevers, and coughs. Severe respiratory distress follows quickly.

Joseph McDade who identified the deadly Legionnaire's disease of 1976, *Legionella mcdadei*—the bacterium was named in his honor—is on the case in New Mexico. There are a total of 16 investigators from the Centers for Disease Control in Atlanta and other cities now stationed in New Mexico.

McDade says there are an estimated 50,000 cases a year on unexplained adult respiratory distress syndrome in the United States. Whatever is causing the Four Corners illnesses could also be responsible for similar respiratory illnesses.

The most likely causal agent is a hantavirus. This virus is spread to people in Asia through inhalation of infected rodents' urine, droppings or saliva. One problem now unanswered is how one person in a household could contract the disease while others breathing the same air do not.

The actual hantavirus has now been found in the tissue of two victims. An antibody to the hantavirus has been found in several victims' bodies.

The hantavirus has also been found in the deer mouse in the Four Corners area. The deer mouse is a common field mouse that is one of about seven species of mice in the Four Corners area.

The CDC is performing polymerase chain reaction tests in hopes of finding the genetic fingerprints to hantavirus in the victims.

The connection between the presence of the hantavirus in the deer mouse and the random infections has yet to be definitely established. The scientific and medical researchers have reduced a lot of fear and anxiety by announcing their preliminary findings about the hantavirus.

The known hantaviruses cause kidney complications in humans. There is no known hantavirus that causes lung problems—this could be the first. Dr. Norton Kalishman, chief medical officer for the New Mexico Department of Health has stressed the "smoking gun" evidence of the presence of antibodies to the hantavirus. The particular antibodies are highly selective lock-and-key molecules that are associated with three known hantaviruses. Six victims have tested positive for the presence of the hantavirus antibodies.

Ribavirin, a controlled anti-viral medicine, is now available in the Four Corners area. It is known to be effective

in reducing the mortality rate for patients who receive the drug within a few days of becoming infected.

In a recent development, Dr. Shyh-Ching-Lo, a molecular biologist at the Armed Forces Institute of Pathology is now analyzing tissue samples from victims of the Four Corners disease for the presence of a virus-like bacterium called mycoplasma. Six U.S. military personnel were killed by *Mycoplasma fermentans*—a very similar respiratory disease syndrome.

The search for a definite cause is not over. A lot of excellent medical and scientific research is ongoing. Public information campaigns are being run. Rodent field tests are being conducted. Tissue samples are being analyzed. A hot line for public inquiries has been established in the Four Corners area.

The cooperation between Navajo Indian medicine men, the Indian Health Service, the New Mexico Department of Health, and the Center for Disease Control has been terrific. It was several months before this much progress was made in identifying the bacterium in the Legionnaire's disease situation.

Health and Human Services Secretary Shalala has estimated that the costs for the current outbreak of acute respiratory failure will total \$6 million. This estimate is based on current and projected expenses for meeting the demands of the several agencies and departments cooperating to positively identify and treat victims of the Four Corners mystery disease.

These funds are necessary to carry out the provisions of section 319(a) of the Public Health Service Act with respect to the current public health situation. No one yet knows the full costs of this disease, but we are confident that \$6 million will be sufficient to carry all federal, tribal, and state efforts through at least the end of the current fiscal year.

This \$6 million allocation, according to our latest estimates by HHS, will be distributed as follows:

	Millions
Centers for Disease Control and Prevention:	
Federal activities	\$2.6
State activities	1.0
Subtotal	3.6
Indian Health Service:	
Federal activities	1.3
Tribal costs	1.1
Subtotal	2.4
Total HHS	6.0

These amounts shall be available for any activity authorized under the Public Health Service Act in order to respond to the recent outbreak and any future outbreaks of this acute respiratory illness.

Specific activities to be conducted are: The continuation of epidemic investigations and studies; local, State, and national surveillance; identification and characterization of the causative agent or agents; development of recommendations for clinical management of persons infected with this disease; development and application of

diagnostic tests; evaluation of the rodent reservoir; development of control and prevention strategies; public and professional education; direct and contract costs of the Indian Health Service, including costs incurred by the Navajo Nation.

Mr. President, I urge my colleagues to support our amendment to add \$6 million to the fiscal year 1993 supplemental appropriations bill now before the Senate.

AMENDMENT NO. 497

Mr. BREAUX addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. BREAUX. Madam President, I will try to be brief because, here we go again. This is an amendment that comes up several times in a Congress. Over the last couple of years, in fact the last 4, I think the Senate has voted on this same question about three times. Every time we have had a chance to look at it and vote on it, the results have clearly been the same. The Senate, by a 2-to-1 margin, said this is a program we should continue because it is fair, equitable, and it is workable, and besides it affects only a very small amount of agricultural exports in this country.

The chart I have behind me clearly indicates the situation. Only about 4 percent of all of the agricultural exports that leave America—only 4 percent—go in U.S. flagships under this maritime provision. We are talking about huge amounts of agricultural products that are shipped out of this country every year that never, ever, see a U.S.-flag vessel. Oh, we talk about Buy American products and American rice, and I am all for that. Buy American wheat and American cars. But when it comes to shipping it in an American vessel, some say, no, we do not want any part of those programs, and stress use of American products only if it is agricultural products.

I am from an agricultural State, and I know that perhaps we may send a little bit less of a product because we are using American flagships; But, folks, we are all in this together. This is the United States of America, it is not a country just for agriculture or maritime or just for one segment versus the other.

Let me give a comparison. Let us talk about subsidies and assistance programs. I am for them. But when you look at what we pay in agricultural subsidies and assistance, which I strongly support, I suggest we ought to consider being a little more fair than the debate has indicated so far. Over the last 3 years, the cost of American taxpayers for export promotional programs for agriculture average \$7.6 billion each and every year—\$7.6 billion that the taxpayers spend to promote American agricultural products. I think that is fine and good, and we should be doing actually more of it.

When you compare what this program costs, the cost of promoting the U.S. flag shipping industry, using our cargo preference programs on food aid cargoes cost \$167 million, as compared to \$7.6 billion each year for the promotion of American agricultural products to be shipped around the country. I think that is indeed a fair balance when you consider that only 4 percent of our agricultural exports are actually carried in U.S. cargo ships; 96 percent go in any ship they want, the cheapest they can find, the most cost-efficient one, which generally employs foreign workers on foreign-built ships who do not follow the rules and regulations from the standpoint of health, safety, and environment that the U.S. vessels must provide.

The final statistic: The U.S.-flag share of agricultural exports by metric tons. Current statistics: This is an indication of how much are total agricultural exports—these are commercial and Government exports combined—4 percent go under a preference program; 96 percent nonpreference commercial or nonpreference under a government program. Even the Government program, those grains shipped overseas that are paid for by taxpayer dollars do not have to all go on U.S.-flag ships. When you compare it to the total amount of agricultural exports in the whole country, add them all up, every grain, every bag of rice, every grain of wheat that is shipped out of this country each year, 4 percent go on U.S. ships.

I think when you consider what we do for agriculture, which are good, solid, legitimate programs, and what we do for the U.S. maritime industry, I think that is an unfair balance.

Madam President, this issue has been debated. May I yield to my friend.

Mr. SARBANES. If the Senate will yield for a question. First of all, is it not a fact that we have a buy American requirement for the grain, as well as a ship American requirement for the ships?

Mr. BREAUX. Absolutely. The Senator makes a correct point.

Mr. SARBANES. In fact, the buy American requirement for the grain raises the price of grain. If we gave the Russians the money to buy the grain on the world market, they could buy grain cheaper out of Argentina than they get grain loaded at a port in New Orleans, in the gulf ports. In fact, in the USDA's February 1993 Wheat Situation and Outlook Yearbook, the price of U.S. wheat, f.o.b. in the gulf ports range from \$129 to \$177. The price of comparable Argentinian wheat, f.o.b. in Buenos Aires ranged from \$113 to \$133 per ton, well below the American price.

Only in August was United States wheat cheaper than Argentine wheat. In all other months, Argentine wheat was cheaper.

We did not provide the money to the Russians, just give them the money and say go buy the wheat on the world market. They could get more wheat on the world market for that money. We said you have to buy American wheat, and we also said you have to ship in American-flag ships.

So the policy is both a buy-American requirement for the grain and a ship-American requirement for the ships. What is unfair about that?

Now we are getting the complaint where they say, well, to ship American you are going to pay somewhat higher rates than if you use foreign flags.

I am prepared to concede that not in the dimension that the proponents of the amendment have asserted, and I can show you some figures that do not sustain the wide gaps they are talking about, plus there has to be a rule on reasonableness anyhow before it applies. The fact of the matter is just limiting on the Russian wheat sales, they have to buy American wheat. I support that. I support that.

I support the American wheat producers in the sense that this foreign aid program ought to be spent on American products, even though if we simply gave them the dollars they could buy more wheat buying it out of Argentina than buying it out of the United States on the basis of the 1992-93 prices.

But by the same token, I support ship American, and it seems to me a fair balance in this situation. If we are going to sustain an American merchant marine, the cargo preference is an essential element to it.

Therefore, I support the Senator in opposing the amendment that is now on the floor.

Mr. BREAUX. Madam President, I thank the Senator from Maryland. The Senator is making a very valid point.

If the argument is we should ship at the lowest possible price at all times, should we not buy the grain at the cheapest price, no matter where it comes from? Should we not buy wheat in China and use the taxpayers' dollars to do that and then give it to the new Russian Republics? I suggest most people would not think that is a good idea.

If you follow through with the logic of the amendment's authors, I would suggest that we would be buying foreign grain in order to sell to other countries under a U.S. donation program. I do not think they are arguing that. The Senator from Maryland has made a very, very valid point.

The final point that I would suggest—and I will close my remarks—is that really we should be working together on this. Those of us who support agricultural promotional programs should be able to join together with those who support maritime promotional programs and get together. If there is ever a case where a farmer and shipper should be friends, this is it. We

have to work together to make it work better. Do not try to destroy one segment of the U.S. society to the advantage of the other. I suggest we all lose if that kind of argument would be carried to the U.S. Senate and the Congress.

Madam President, I move to table the underlying amendment of the Senator from Colorado and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana to lay on the table the amendment of the Senator from Colorado.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Washington [Mrs. MURRAY] is absent because of illness.

I further announce that, if present and voting, the Senator from Washington [Mrs. MURRAY] would vote "yea."

Mr. SIMPSON. I announce that the Senator from Pennsylvania [Mr. SPECTER] is absent due to illness.

The PRESIDING OFFICER (Mr. LEVIN). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 47, nays 51, as follows:

[Rollcall Vote No. 162 Leg.]

YEAS—47

Akaka	Graham	Mitchell
Biden	Hatfield	Moynihan
Boxer	Heflin	Murkowski
Bradley	Hollings	Nunn
Breaux	Inouye	Packwood
Bryan	Johnston	Pell
Byrd	Kennedy	Reid
Cochran	Kerry	Riegle
Cohen	Lautenberg	Robb
Daschle	Leahy	Rockefeller
DeConcini	Levin	Sarbanes
Dodd	Lieberman	Sasser
Feingold	Lott	Shelby
Feinstein	Mathews	Stevens
Ford	Metzenbaum	Wofford
Gorton	Mikulski	

NAYS—51

Baucus	Domenici	Kohl
Bennett	Dorgan	Lugar
Bingaman	Durenberger	Mack
Bond	Exon	McCain
Boren	Faircloth	McConnell
Brown	Glenn	Moseley-Braun
Bumpers	Gramm	Nickles
Burns	Grassley	Pressler
Campbell	Gregg	Pryor
Chafee	Harkin	Roth
Coats	Hatch	Simon
Conrad	Helms	Simpson
Coverdell	Hutchison	Smith
Craig	Jeffords	Thurmond
D'Amato	Kassebaum	Wallop
Danforth	Kempthorne	Warner
Dole	Kerrey	Wellstone

NOT VOTING—2

Murray Specter

So the motion to lay on the table the amendment (No. 497) was rejected.

The PRESIDING OFFICER. The pending question is the Grassley sec-

ond-degree amendment number 498. Is there further debate?

If not, the amendment will be agreed to.

Mr. BROWN addressed the Chair.

The Senator from Colorado.

Mr. BROWN. Mr. President, the Grassley amendment—

Mr. FORD. Mr. President, we cannot tell what is going on when he is talking from the well. May we have order so we can figure out what is going on?

The PRESIDING OFFICER. The Senator is correct. There will be order in the Senate. The Senator will withhold just one moment.

Mr. BROWN. Mr. President, the Grassley amendment had previously won approval to be vitiated and in light of the rollcall, rather than have the body repeat the record vote, I simply ask the order for the rollcall vote be vitiated and it be agreed to.

The PRESIDING OFFICER. Is there objection?

Mr. BREAUX. I object. It is a different amendment.

The PRESIDING OFFICER. The pending amendment is the Grassley second-degree.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

The Senator from Iowa addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

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

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

Mr. GRASSLEY. Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The Senator has that right. Without objection, the amendment is withdrawn.

The amendment (No. 498) was withdrawn.

The PRESIDING OFFICER. The pending question is the Brown amendment. The Senator from New York.

Mr. D'AMATO. Mr. President, I ask for the regular order.

The PRESIDING OFFICER. The Senate will come to order. Let the Chair state where the Senate stands.

The pending amendment is the amendment of the Senator from Colorado. The yeas and nays have been ordered on that amendment.

The Senator from Colorado.

Mr. BROWN. Mr. President, in light of the recorded vote, I ask unanimous consent to vitiate the request for a recorded vote and go to a voice vote in the interest of saving time.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The PRESIDING OFFICER. The question is now on agreeing to the amendment.

The amendment (No. 497) was agreed to.

Mr. BROWN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The pending amendment now is the amendment of the Senator from New York, No. 493. The Senator from New York is recognized.

AMENDMENT NO. 493

Mr. D'AMATO. Mr. President, let me say that the amendment that is presently pending deals with bringing about some changes in welfare. It is a rather straightforward amendment. It says that if you get general assistance, which is offered in 42 States, that there be a program required for able-bodied public recipients which would require that they report for public service jobs, if not available in the private sector, and to be able-bodied. It would provide that at least 10 percent, only 10 percent, of those receiving this assistance become involved in this program and, therefore, the State move it up by 2 percent per annum.

Mr. President, I have had my say on this. I think it is an important amendment. I know that the senior Senator from New York [Mr. MOYNIHAN] who is chairman of the subcommittee, wishes to make his points on it. Then I hope we can dispose of this matter with a vote. So I yield the floor.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. Will the Senator withhold for one moment? The Chair has been informed that the pending amendment is amendment No. 493, involving chapter 1 funds.

Mr. D'AMATO. Mr. President, I ask unanimous consent that we be permitted to set that aside and move to the initial amendment that was offered, which is the one on welfare.

The PRESIDING OFFICER. Without objection, it is so ordered. Amendment No. 489 is the regular order. The senior Senator from New York.

AMENDMENT NO. 489

Mr. MOYNIHAN. Mr. President, I thank the Chair and I thank my friend and colleague for bringing this subject up. He addresses a matter of importance, perhaps of diminishing importance because the Social Security program is gradually supplanting general assistance as it existed 50, 60 years ago when States alone had measures that looked after persons without incomes of any kind.

We look forward to a general change in welfare legislation in this administration which will deal with what are, in ways, remnants of an earlier age. You can make important cases about what is an appropriate activity at the national level, the State level, the local level, and I think we all agree

that the nearest level, the local level, that a matter can be dealt with is the most desirable. But it is also generally agreed that social insurance is properly a national activity.

On the other hand, I will say to the Senate, there are 27 States which now have a significant number of persons receiving general assistance, which is entirely a State or State and local-paid-for activity. These States are, in alphabetical order: Arizona, California, Delaware, Georgia, Hawaii, Illinois, Indiana, Kansas, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, New Jersey, New Mexico, New York, Ohio, Oregon, Pennsylvania, Rhode Island, Utah, Vermont, Virginia, Washington, and Wisconsin.

I think if you look at that list, Mr. President, you see the pattern of social legislation at the beginning of this century. The Northeastern, Middle Western and Far Western States had these programs. The South had none and they still do not. But this measure would necessarily apply costs on those States. These would be mandated costs.

I do not know of anything that has interested me so much in the last 2 weeks as in reading about the near revolt of the mayors meeting in our city of New York, I say to my friend, Senator D'AMATO, against Federal mandates. They gave a week to the subject. And we stand here on the Senate floor and say, "I have a good idea. I'll do this for people and you over there will pay for it," which is what we have gotten in the habit of doing.

I learned that the motor-voter legislation will require that cities put ramps for disabled persons in polling booths that are used twice a year. They say, oh?

So, Mr. President, it is perfectly natural and to be expected that the National Governors' Association asked that we not do this. I ask that we not do it, not because there is not an issue here which the Senator properly raises, but because I feel it should be part of the overall consideration in the Finance Committee, in the first instance, of general change in public assistance which emphasizes work, which emphasizes time-limited public assistance.

The Senator has spoken only of able-bodied persons. More and more States, such as ours, as he well knows having been a county legislator, have general assistance for people who are disabled in some behavioral or physical way, but that is just the evolution of this program.

We are dealing here with general assistance which began about the beginning of this century. It ought to be phased into the Federal program in an orderly way. It ought to be associated with work requirements where work is possible, which it often is, and we are not looking for an explanation why it is not. It ought to be time conditioned to the degree that there are alternative

forms of activities for income for the individuals involved.

Mr. President, with no sense that there is anything inappropriate about what my colleague has proposed, but with the feeling that there are Governors in 27 States, such as California—I see the gracious lady from California is on the floor and who was once a mayor and knows about general assistance in these matters—I do not think that they would feel this was right of us to do. I see the senior Senator from Oregon, who had been Governor of Oregon. I cannot imagine he would wish us to pass an instruction on how much more money his State will spend on a program that is entirely financed and run by the State of Oregon.

My view would be these matters should come up to the national level and be part of general public assistance welfare legislation in this Congress, or soon.

With that, Mr. President, and with great respect for my colleague, I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table amendment No. 489. The yeas and nays have been ordered. The clerk will call the roll.

Mr. FORD. I announce that the Senator from Washington [Mrs. MURRAY] is absent because of illness.

I further announce that, if present and voting, the Senator from Washington [Mrs. MURRAY] would vote "yea."

Mr. SIMPSON. I announce that the Senator from Pennsylvania [Mr. SPECTER] is absent due to illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 34, nays 64, as follows:

[Rollcall Vote No. 163 Leg.]

YEAS—34

Akaka	Glenn	Moseley-Braun
Boren	Graham	Moynihan
Boxer	Harkin	Pell
Bradley	Hollings	Pryor
Breaux	Inouye	Riegle
Byrd	Jeffords	Robb
Campbell	Kennedy	Rockefeller
Daschle	Kerry	Sarbanes
DeConcini	Kerry	Simon
Dodd	Levin	Wellstone
Exon	Metzenbaum	
Feingold	Mitchell	

NAYS—64

Baucus	Conrad	Gramm
Bennett	Coverdell	Grassley
Biden	Craig	Gregg
Bingaman	D'Amato	Hatch
Bond	Danforth	Hatfield
Brown	Dole	Heflin
Bryan	Domenici	Helms
Bumpers	Dorgan	Hutchinson
Burns	Durenberger	Johnston
Chafee	Faircloth	Kassebaum
Coats	Feinstein	Kempthorne
Cochran	Ford	Kohl
Cohen	Gorton	Lautenberg

Leahy	Murkowski	Simpson
Lieberman	Nickles	Smith
Lott	Nunn	Stevens
Lugar	Packwood	Thurmond
Mack	Pressler	Wallop
Mathews	Reid	Warner
McCain	Roth	Wofford
McConnell	Sasser	
Mikulski	Shelby	

NOT VOTING—2

Murray	Specter
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So the motion to lay on the table the amendment [No. 489] was rejected.

CHANGE OF VOTE

(Later, the following occurred.)

Mr. KERRY. Madam President, I ask unanimous consent that on rollcall No. 163, the D'Amato amendment, I was reported voting no. I would like to be recorded as voting aye. It will not affect the outcome.

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

(The foregoing tally has been changed to reflect the above order.)

Mr. D'AMATO. Mr. President, I am willing to vitiate the yeas and nays and I ask unanimous consent to do so, and I ask for a voice vote.

The PRESIDING OFFICER. Is there objection?

Without objection, the yeas and nays are vitiated.

The question is on agreeing to the amendment No. 489.

The amendment (No. 489) was agreed to.

Mr. D'AMATO. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 493

The PRESIDING OFFICER. The pending amendment is No. 493.

Mr. D'AMATO. Mr. President, this amendment is intended to get the desperately needed dollars that we provide for the poorest of the poor in the Chapter 1 Program—\$6 billion—to the classrooms. Presently, 20 percent of the Chapter 1 dollars that go to local districts are being used for administration. We say there is no reason for it to be more than 10 percent. We think it is a modest beginning. That will get \$600 million that is now going into administrative costs into the classrooms.

I see the senior Senator from Massachusetts here, and we have discussed this. I hope we can take it, because this is doing the business of educating the youngsters in these poor districts.

Mr. KENNEDY. Mr. President, I think, as the Members know, we will be considering the chapter 1 reauthorization this year, probably in the fall in any event. The concern initially that I had with the Senator's amendment is that it might unnecessarily preclude the opportunity for continuing training of chapter 1 teachers. So I spoke to the Senator from New York, and he has

indicated that in the part of his amendment that refers to instructional personnel, that would mean personnel involved in the direct instruction of pupils in the training of the teachers.

With that understanding, I will soon send an amendment to the desk, and I will urge our colleagues to support it. I join with the Senator in urging our colleagues to support it. I join with the Senator in urging that we have as much of the scarce resources in chapter 1 targeted on the children of need as we can. There has been some increasing effort in terms of training of the teachers, and we wanted to make sure that the continuing upgrade of the teachers that teach chapter 1 would not be precluded. I hope that the amendment will be accepted and will be retained at conference.

AMENDMENT NO. 499 TO AMENDMENT NO. 493

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

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows: The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment numbered 499 to amendment No. 493.

On page 2, strike lines 10 through 12 and insert in lieu:

SALARY OF INSTRUCTIONAL PERSONNEL

"Personnel involved in the direct instruction of pupils or in the training of teachers or to pay the cost of instructional material."

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. KENNEDY. Mr. President, if I could just take one moment, what this amendment would just permit is the upgrading of the training of teachers who are involved in chapter 1 teaching. I had talked this over with the Senator from New York, he has been willing to accept that. I think the amendment now is perfected to be consistent with what I had outlined earlier.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 499.

The amendment (No. 499) was agreed to.

Mr. D'AMATO. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KENNEDY. Now we have amended the amendment, am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. KENNEDY. The matter before the Senate is the amendment of the Senator from New York?

The PRESIDING OFFICER. That is correct.

Mr. D'AMATO. Mr. President, I urge the amendment and thank the Senator from Massachusetts for his excellent suggestion in making it a better and more appropriate procedure that we get these dollars into the classroom.

Mr. President, I ask unanimous consent that the yeas and nays be vitiated.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Without objection, the amendment, as amended, is agreed to.

So, the amendment (No. 493), as amended, was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Are there further amendments?

The Senator from Oregon is recognized.

Will the Senator yield for a moment? There will be order in the Chamber.

The Senator from Oregon is recognized.

AMENDMENT NO. 492, AS MODIFIED

Mr. HATFIELD. Mr. President, I am going to send a technical amendment to the desk. Earlier this afternoon with the approval of both sides we voice voted an amendment offered by Senator CRAIG of Idaho, and included in that was unnecessary language already in the bill. I will strike the unnecessary language in this technical amendment.

Mr. President, I ask unanimous consent that the Craig amendment be modified by the language sent to the desk.

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

The amendment (No. 492), as modified, is as follows:

Before the period, insert: "Provided further, That a curly top virus condition in sugar beets resulting from damaging weather or related condition that adversely affects the beets shall be an eligible disaster condition for purposes of assistance provided under this paragraph."

The PRESIDING OFFICER. Are there further amendments?

The Senator from West Virginia is recognized.

Will the Senator yield for a moment? Mr. HATFIELD. Yes.

The PRESIDING OFFICER. The Senate will be in order.

All conversation will desist.

The Senator from West Virginia is recognized.

Mr. BYRD. I thank the Chair. I ask unanimous consent that the Senator from Arkansas [Mr. PRYOR], be

added as a cosponsor of the Harkin older American amendment No. 490 agreed to earlier.

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

BUREAU OF INDIAN AFFAIRS

Mr. REID. Mr. President, I want to first thank the chairman of the Appropriations Committee for his leadership in crafting the initiative before the Senate today. He undertook and succeeded in reporting out a supplemental appropriations package which most in this body can and will support, although every provision does not necessarily please every Senator. This was a difficult task for which the chairman deserves our appreciation and praise. While I support the committee substitute and will vote today in favor of its passage, I want to spend a few moments to share with my colleagues my thoughts concerning the level of supplemental funding proposed for Indian schools and Indian child welfare programs.

It is unfortunate that Indian children who attend schools funded by the Bureau of Indian Affairs and Indian children and families eligible for Indian child welfare programs may become further casualties of the failed economic stimulus proposal. Mr. President, I believe it is important for my colleagues to understand that Indian people and tribal governments already lost a great deal when the Senate failed to invoke cloture on the economic stimulus proposal.

The economic stimulus proposal contained approximately \$102 million in funding for Indian programs under the jurisdiction of the Bureau of Indian Affairs. Although this amount does not begin to address the actual need in Indian country it would have provided the following supplemental funding.

First, \$23 million for Indian reservation road maintenance projects to improve road safety and access for Indian schools, medical facilities, and businesses. The funds were targeted to major projects on 55 reservations, spanning 15 States, to improve infrastructure for economic development and to stimulate employment.

Second, \$15 million for forestry resource enhancement projects, including tree planting and precommercial thinning to increase future harvesting and the sale of wood products on 48 Indian reservations in 20 States. The funds would have been targeted to reservations with the largest acreage of need.

Third, \$9 million for the repair and improvement of dangerous and substandard Indian law enforcement, education, and youth services facilities located on 15 reservations in 11 States, and the construction of 3 law enforcement detention facilities in South Dakota and Arizona. These funds would have also assisted the closure of lethal landfills effecting multiple tribes located in Arizona and New Mexico.

Fourth, \$5 million for needed repairs and rehabilitation to Indian school facilities in 23 States, including my home State of Nevada.

Finally and most importantly, the economic stimulus proposal contained \$49 million to cover severe funding shortfalls for the current 1992-93 and upcoming 1993-94 school years for the operation of the 184 Indian schools and dormitories funded by the Bureau of Indian Affairs in 23 States, including the Pyramid Lake High School and Duckwater Shoshone Elementary School located in Nevada.

Mr. President, in recognition of the dire conditions faced by many Indian schools, the measure we are considering today retains a portion of the supplemental funding for the operation of Indian schools provided in the economic stimulus proposal. The amount requested for Indian school operations in the supplemental appropriation bill currently before the Senate totals approximately \$11 million, \$10 million less than the House-passed version of H.R. 2118. In addition to its potentially grave impact on Indian schools, the reduced amount proposed in the committee substitute before us today will not permit replenishment of funding for tribal Indian child welfare programs.

In contrast, the level of supplemental funding recommended by the House for Indian school operations would help to replenish a part of the Indian Child Welfare Program funds which were reprogrammed by the Congress earlier this year. Approximately \$9 million was reprogrammed from the Indian Child Welfare Program account to the Indian school operations account to help mitigate the negative effects of severe funding shortfalls for Indian schools. As a member of the Senate Committee on Appropriations, I reluctantly approved the reprogramming request in March of this year. This decision, however, was predicated on the expectation that these funds would be replenished upon passage of the President's economic stimulus proposal.

The failure of the economic stimulus proposal resulted in the expenditure of reprogrammed Indian child welfare funds for Indian school operations to prevent Indian school closures and massive school personnel layoffs. Without the increased funding level for Indian school operations proposed in the House passed version of the supplemental appropriation for fiscal year 1993, Indian schools in Nevada and elsewhere that have already been forced to cut personnel, defer needed equipment purchases and make other sacrifices, will find themselves even more impaired in their ability to provide Indian children with a quality education. Further, Indian child welfare programs in Nevada and elsewhere may face dismantlement, case workers may very well lose their jobs and Indian children and families eligible to receive services

will most certainly not receive the level of assistance they so desperately require.

Accordingly, as H.R. 2118 moves to conference I will work with my fellow Senate and House conferees to help ensure that Indian schools and Indian Child Welfare Program needs for fiscal year 1993 are both addressed.

Indian children and families deserve our best efforts.

WASTE WATER TREATMENT PROJECTS

Mr. BAUCUS. Mr. President, I rise to express my sincere disappointment concerning the lack of funding for waste water treatment projects in the bill before us today.

We began this process 5 months ago with high hopes that environmental infrastructure, including the State sewage treatment loan fund program, would be a key element of the overall budget package.

The arguments for substantial funding for environmental infrastructure seemed to be strong.

The Nation faces a huge backlog of needed sewage treatment projects, estimated by the Environmental Protection Agency to be at least \$80 billion.

Construction of these projects brings clear and immediate water quality and environmental benefits to communities all over the country.

In addition to water quality benefits, these projects provide significant employment opportunities in the hard hit construction industry. EPA estimates that each \$1 billion in treatment projects generates over 50,000 jobs.

Finally, funds spent on sewage treatment projects are a good investment for the country. The Clean Water Act established loan funds in each State. Federal funds are provided to State loan funds and States provide a 20-percent match. These funds are then loaned out to communities at low interest rates and repaid over 20 years. Federal dollars invested in these loan funds today will continue to work for clean water and jobs for decades to come.

Despite these arguments, the administration proposed only level funding for State sewage loan funds. In addition, rather than provide the full funding for fiscal year 1994 of about \$2 billion, the administration proposed to provide \$845 million in the economic stimulus package and \$1.2 billion for fiscal year 1994.

Unfortunately, the stimulus package was not passed. Rather than leave the sewage treatment program to be cut by almost half, the administration proposed to include a substantial portion of the \$845 million in the supplemental. Again, this funding was reduced and finally, in the bill before us today, eliminated.

The probable result of this decision is to effectively reduce fiscal year 1994 funding for sewage treatment from about \$2 billion to just over \$1 billion.

This would be a significant setback for the clean water program and for the cause of sound investment of our Nation's infrastructure.

I recently introduced, with the ranking minority member of the Environment and Public Works Committee, Senator CHAFFEE, legislation to reauthorize the Clean Water Act and the State loan fund program. Our bill does not propose to reduce funding for environmental infrastructure or to maintain level funding. It proposes to significantly increase our investment in jobs and a clean environment by more than doubling clean water funding by the year 2000.

While I recognize that it is not possible to change the bill before us to provide funding needed to even maintain the current support for environmental infrastructure, we still have a chance to address this problem in the fiscal year 1994 appropriations bill.

I hope that members of the Appropriations Committee will review the many strong reasons to support funding for the Clean Water Act and for environmental infrastructure and do all that they can to assure that, at a minimum, the fiscal year 1994 bill maintains the current fiscal year 1993 funding level.

ROTH-LOTT AMENDMENT NO. 487

Mr. MACK. Mr. President, the focus of this amendment, economic growth, couldn't be more appropriate. Tomorrow the Senate will take up the President's tax package which is guaranteed to result in the layoff of millions of Americans over the next few years. We desperately need a growth plan instead. The plan offered by Senators ROTH and LOTT will give America the economic growth we need.

The plain facts are that the Clinton administration is doing everything in its power to suppress economic growth. The economic chill of this antigrowth agenda is starting to be felt all over the country. The latest index of small business optimism—designed to predict the odds of job growth from small businesses—gave a grim report last month. It fell sharply from previous levels for its seventh consecutive monthly decline. What was driving this pessimism? President Clinton's tax program and the deteriorating economic climate it would create.

Another survey, this one by the U.S. Chamber of Commerce, showed the same fear of the Clinton tax program. The business confidence index for June dropped more sharply than any time in the last 2 years that this index has been calculated. It's now at its lowest level since the end of the recession in 1991. The reason? According to the survey, the decline reflected "a growing disenchantment with the economic uncertainty caused by the prospects of higher taxes for deficit reduction and health-care reform."

Clearly American businesses are worried about the President's economic

policy. But so is the rest of America. After all, who owns American businesses? American families.

A recent survey showed that 8 out of every 10 Americans felt it would be harder for the next generation to achieve the American dream. The primary obstacle for them, they reported, were rising taxes. By a 3-to-1 margin, Americans said that the Clinton administration will make it harder to achieve the American dream.

The Roth-Lott plan, by eliminating tax penalties for economic growth, will rejuvenate the economy, boost optimism for the future, and move the American dream a little closer within our grasp. I can't think of a better reason to vote for this progrowth plan of Senators ROTH and LOTT than to help people achieve the American dream.

COMMODITY CREDIT CORPORATION

Mr. DASCHLE. Mr. President, I would like to engage the distinguished Senator from Arkansas [Mr. BUMPERS], the chairman of the Agriculture Appropriations Subcommittee, in a colloquy to clarify the intent of the supplemental appropriations in H.R. 2118 regarding the Commodity Credit Corporation.

An agricultural disaster has hit South Dakota and is worsening. Relentless spring rains have prevented many South Dakota producers from planting their 1993 crop. I have received several letters from South Dakota lending institutions informing me of the serious economic situation our South Dakota producers are in because of this disaster.

These cool, wet conditions have persisted from last fall to the present date. In March 1993, I personally toured farms in the eastern part of South Dakota. What I saw were extremely wet conditions that prevent many South Dakota producers from harvesting their 1992 crop. Those producers still had the 1992 crop corn standing in the fields in March 1993, and the quality of harvested crops had been severely damaged by the wet weather.

Compounding last year's disaster, thundershowers persisted through March and April 1993. The relentless rains filled the soil profile. As a consequence, ponds of water stood in fields where producers were attempting to plant their grain, corn, and soybeans. The thunderstorms and rains have continued throughout May and June.

Because of these wet conditions, 1993 crop planting has been behind all spring. In a normal year, by May 1 most of South Dakota's spring grains have been planted, while this year only about one-third were planted by this date. Subsequently, corn and soybean seeding is also several weeks behind this year. As a result of crop seeding delays, producers in the eastern, and especially the southeastern, portion of South Dakota will suffer from yield reductions, if they were fortunate enough to have planted a crop at all.

The 1993 supplemental appropriations bill provides that funds previously made available for natural disasters in 1990, 1991, and 1992 "shall also be made available to producers of the 1993 crops of agricultural commodities for losses caused by natural disasters which occurred prior to May 1, 1993." Producers in my State of South Dakota have not been able to complete planting of their corn or soybeans in either May or June of this year. Rains prior to May 1, 1993 filled the soil profile with water. Rain falling after May 1, 1993 has been unable to seep away into the soil profile, resulting in standing water and fields too wet to support farm equipment for several weeks following a thunderstorm. This is in contrast to a normal spring, when fields usually dry out after a thunderstorm within a couple of days. Clearly, the early spring rains, which occurred prior to May 1, 1993, have exacerbated this year's prevented planting situation.

My understanding is that the language in the 1993 supplemental appropriations bill applies to producers, such as those I have mentioned in South Dakota, who have been unable to plant a crop because of wet field conditions caused by rain, which occurred in March and April 1993, and prevented planting subsequent to May 1, 1993. Am I correct in that understanding?

Mr. BUMPERS. Mr. President, the Senator is correct.

SOIL CONSERVATION SERVICE EMERGENCY WATERSHED PROTECTION

Mr. DECONCINI. It is my understanding that of the \$3,328,000 appropriated to the Soil Conservation Service's Emergency Watershed Protection Program in Amendment 480, \$1,400,000 is to be used in my State of Arizona for projects necessitated by recent heavy flooding. Record levels of precipitation in January and February of this year caused critical bank erosion, bank failure, levee failure, channel blockage and other emergency problems endangering homes, businesses and personal safety in communities all over Arizona. These funds are urgently needed in Arizona to repair damages before further drainage occurs from the melting of record levels of snowfall in the Colorado River Basin and before the next rainy season hits Arizona. Mr. President, am I correct in my understanding of the intended use of these funds in Arizona?

Mr. BUMPERS. Yes, the Senator is correct.

Mr. DECONCINI. I thank the chairman Senator BUMPERS. I ask unanimous consent that the following list be printed in the RECORD.

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

EMERGENCY WATERSHED PROTECTION STATUS, FISCAL YEAR 1993, AS OF MAY 31, 1993

	Exigency unfunded	Nonexigency unfunded	Total
Unfunded requests by State:			
Arizona	1,400,000	409,000	1,400,000
California	409,000	409,000	409,000
Mississippi	1,232,000	1,232,000	1,232,000
West Virginia	170,000	170,000	170,000
Illinois	117,000	117,000	117,000
Total unfunded	3,328,000	3,328,000	3,328,000

CHAPTER 1 FUNDS

Mr. KENNEDY. Mr. President, I want to take this opportunity to discuss an issue of funding for education that has received too little attention—the loss of \$450 million in Chapter 1 funds for disadvantaged students in many parts of the country.

Because resources are scarce, the total amount of Chapter 1 funds is being held constant at \$6.1 billion. As a result of the 1990 census data, many States will gain funds, but many other States will lose funds, based on the change in their percentage share of disadvantaged students.

These cuts are painful, and large numbers of disadvantaged students will be affected. Schools in Boston, New York, Philadelphia, Chicago, Jackson, and many other communities will be hard pressed to fill the gap. It is impossible to cut \$450 million out of school budgets, in some cases over 20 percent, without imposing severe consequences on hundreds or even thousands of classrooms. The effect will be disruptive, destabilizing and extremely damaging to large numbers of children and their parents.

Unless we address this situation quickly, half a million school children, poor children, will arrive at school in September without the teachers and services they have come to depend on. Unless we address this situation, thousands of teachers and aides will be laid off, and unable to give these pupils the extra attention and personal contact that has been making all the difference for their futures.

The chapter 1 record is one of steady progress toward its goal of reducing the educational disadvantages that poverty imposes on children.

In basic skills tests, in both reading and mathematics, results for chapter 1 students show gains in every year over the 11-year period from 1979 to 1990 in nearly all grades. In more advanced skills, such as reading comprehension, posttest scores were higher than pretest scores at every level.

Chapter 1 has also produced remarkable progress for minority groups and others who start out farthest behind. For example, the learning gap between the achievement of black students and white 17-year-olds has been closed by 22 points since the beginning of the program—from a 52-point difference on the National Assessment of Educational Progress to a 30-point difference.

Mr. President, I would like to include in the RECORD, at this point, two

charts that describe the gains of minority and all disadvantaged urban students on the National Assessment of Educational Progress.

These statistics do not begin to describe the contributions of Chapter 1 in human terms—the gifted teacher who has developed reading techniques to enable other teachers to reach students more effectively; the caring aide in the classroom, the one person the children know is always there to give extra help; the counselor whose role is to connect disadvantaged students with other professionals they desperately need; the early childhood education teacher who is helping achieve the first National Education Goal, making sure that every child is ready for school; the parent coordinator who is the vital link between home and school, and who gives low income parents greater confidence and know-how to help their children at home.

Finally, there is other solid evidence of chapter 1's results. Districts are spreading their resources more evenly among their schools. State-of-the-art materials are being purchased with

chapter 1 dollars, new books for pupils who do not usually have them; advanced technology that can bring new ways of thinking into their schools.

Because of the cutbacks required by the 1990 census data from so many communities, these beneficial results will be in jeopardy in many schools. Administrators will have to cut with a meat ax, not a scalpel. And these cuts will occur in a program that already has not been able to keep up with demand. The average grant per chapter 1 child has dropped from \$916 in 1980 to \$858 in 1990. In the same period, the percent of children in poverty has climbed from 14 to 19 percent.

Schools in major cities are being overwhelmed by the number of low-income children whom they must serve and whose needs are as great as in any time in our history. In New York and Boston, even before these cuts, only 40 percent of eligible children were being served.

The shift in chapter 1 funds under the census data is not a matter of taking funds targeted to poor children who are no longer there.

It is taking funds from some poor children and giving it to other poor children. In the prior census reallocations of 1972 and 1982, Congress avoided the worst effects of the shift in chapter 1 funds by providing a 2-year transition period. That gave States adequate time to plan for changes in appropriations and to redesign programs to serve more children.

In these difficult economic times, we cannot add enough additional funds to make sure that no schools or pupils suffer from the current shift.

But we need to do more to prevent the worst of these cutbacks and the dismantling of so many worthwhile programs. This supplemental funding bill is not the place to resolve this dilemma. But I hope that in the fiscal year 1994 appropriations, Congress will be able to provide the relief that is urgently needed.

I ask that tables reflecting reading scores be inserted in this RECORD.

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

NAEP READING SCORES FOR WHITE AND AFRICAN-AMERICAN STUDENTS, DISPLAYED BY TESTING DATE AND AGE¹

Date of testing:	Age 9			Age 13			Age 17		
	White	African-American	Difference	White	African-American	Difference	White	African-American	Difference
1971 ²	214	170	44	261	222	39	291	239	52
1975	217	181	36	262	226	36	293	240	53
1980	221	189	32	264	232	32	293	243	50
1984	218	186	32	263	236	27	296	264	32
1988	218	189	29	261	243	18	295	274	21
1990	217	182	35	262	242	20	297	267	30

¹ The scores are the reading proficiency scale scores—the standard deviation for the age 9 scores is about 40 points, for the age 13 scores about 35 points, and for the age 17 scores about 40 points.

² The 1971 assessment scores for whites included scores for Hispanics; the scores for whites for the other assessments did not.

Source: Mullis and others, 1991, pp. 331–333.

NAEP READING SCORES FOR ADVANTAGED AND DISADVANTAGED URBAN STUDENTS, DISPLAYED BY TESTING DATE AND AGE

Date of testing:	Age 9			Age 13			Age 17		
	Advantaged	Disadvantaged	Difference	Advantaged	Disadvantaged	Difference	Advantaged	Disadvantaged	Difference
1971	230	179	51	273	234	39	306	260	46
1975	227	184	43	273	230	43	305	259	46
1980	233	188	45	277	242	35	301	258	43
1984	231	192	39	275	239	36	302	266	36
1988	222	192	30	266	239	27	301	275	26
1990	227	186	41	270	241	29	300	273	27

Note.—The primary sampling units were stratified into extreme rural, disadvantaged urban, advantaged urban, and other. We are using the data here from only the second and third strata.

Source: Mullis and others, 1991, pp. 313–315.

MISSILE DESTRUCTION DEMONSTRATION PROJECT

Mr. DOLE. Mr. President, I would like to engage the distinguished chairman of the Defense Appropriations Subcommittee and the ranking member from Alaska in a brief colloquy on a matter that involves the defense conversion of the Sunflower Army Ammunition Plant.

Mr. INOUE. I would be happy to discuss this matter with my good friend from Kansas.

Mr. DOLE. Before I get into specifics, I would like to commend the chairman, Senator INOUE and ranking member, Senator STEVENS for their outstanding work in bringing this bill to the floor under very tight budget constraints.

They have done a remarkable job in presenting a clean bill, and I commend them for their leadership.

Mr. President, it was my intent to offer an amendment to the bill we are debating today. However, at the request of the chairman, I will not offer my amendment at this time.

The amendment I had planned to offer involves an issue of vital importance to a number of workers at the Sunflower Army Ammunition Plant in my State of Kansas. These workers will soon lose their jobs—not because they are not good workers, but because they have become the innocent victims of the dramatic changes we have witnessed in the world.

To most States, this would not be considered a significant number of jobs. I realize that when one considers the loss of 2,000 or 5,000 jobs in one area, those enormous losses might raise much greater concern than the loss of jobs I am referring to today. But, to the people who work at the Sunflower Plant who are unlucky enough to be caught in the down-sizing of the Defense Department, their experiences will be just as traumatic to them as it will be to the thousands of workers who will lose their jobs in California or Washington State or any other part of the country for that matter, including my State of Kansas. The pain is the same. When only 100 or 200

people lose their job, that's not newsworthy. But I will not ignore those workers at the Sunflower Plant and I will not forget their plight. My amendment would have offered those workers new hope.

I have asked for this colloquy with my good friends from Hawaii and Alaska in the hope that I might enlist their support in a request I intend to make to John Deutch, the Under Secretary of Defense for Acquisition to fund a \$900,000, 12-month, full-scale demonstration project at the Sunflower Plant using defense technology conversion funds.

Mr. President, Sunflower has unveiled a visionary program whose goal is to turn the facility into a recycling plant for handling obsolete solid rocket motors and converting the solid propellant removed from the motors into commercial reuse. The process to be demonstrated offers safe, efficient, and environmentally sound technology involving dry machine removal of the propellant and repackaging the granular propellant for resale in the commercial marketplace.

The demonstration will provide data to allow a high level of confidence in the design of an operational plant at Sunflower. It also is key to establishing the credibility of the conversion of current Goco plants to facility-use status, and lowers costs to the Government for maintaining emergency response capability of the plant.

Time is of the essence because there is a very narrow window of opportunity to utilize the existing skilled work force at Sunflower before further forced reductions occur as part of the conversion of the plant to standby status.

This is the kind of innovative market-based program the Defense Conversion Program is all about, and I believe \$900,000 from funds appropriated in the fiscal year 1993 Defense Appropriations Act for the defense technology conversion, reinvestment, and transition assistance program could be used to support this initiative. I ask the distinguished chairman if this is correct.

Mr. INOUE. I say to the distinguished minority leader that this is absolutely correct. And I would like to commend my good friend for his diligence in bringing this issue to my attention. He has been a thoughtful and dynamic force in supporting innovative approaches to defense conversion that help to maintain a strong defense industrial base.

Regretfully, we could not include a provision in this supplemental as requested by the minority leader. I nevertheless, strongly support the Senator's recommendation for a solution to the future use of Sunflower and I am pleased to play a role as a supporter of this proposal.

Mr. STEVENS. I wish to add my support for this important initiative. As

our nuclear arsenals are drawn down, the question of how best to safely dispose of the literally thousands of solid rocket motors will soon become a serious issue. This demonstration could well yield a safe and environmentally sound method of not only disposing of these motors, but recycle this material as well. I agree that the use of the Sunflower Army Ammunition Plant to conduct this demonstration makes good sense. Further, I concur that this project fits fully within the legislative intent of the defense technology conversion section of the fiscal year 1993 Defense Appropriations Act.

Mr. DOLE. I appreciate the chairman and ranking member's support, and I will take their endorsements with me when I pursue this with the Department of Defense.

TRANSFER OF LANDS

Mr. GLENN. Senator INOUE's amendment repeals the provisions of the Department of Defense Appropriations Act, fiscal year 1993 that directed the Department of Defense to indemnify recipients of land previously owned by the Department of Defense. The unintentional confusion at the Department of Defense that this provision has caused was most unfortunate and resulted in a halt of all leases and land transfers by the Department of Defense. Senator INOUE, I am most appreciative of your willingness to repeal these provisions which allow what we all want to occur, specifically the immediate transfer of lands previously authorized for transfer; and immediate leasing of lands at closing bases. This later is particularly important to Senator MCCAIN and myself as the chairman and ranking member of the Subcommittee on Military Readiness and Defense Infrastructure of the Armed Services Committee, and to Senator FEINSTEIN as the senior Senator from California, a State that will bear a considerable portion of the short-term economic effects associated with closing bases.

Mr. INOUE. We all want to see viable economic reuse of the closing bases occur as quickly as possible.

Mrs. FEINSTEIN. I, too, would like to express my appreciation to Senator INOUE and support for this amendment. This amendment results in the removal of the moratorium on the transfer of Department of Defense property at closed military bases. Without this amendment, the country's entire base reuse process would have been at a standstill. The provisions being repealed by this amendment, as well as a similar provision that was included in the National Defense Authorization Act for fiscal year 1993 (Public Law 102-484), address concerns that many of my colleagues and various communities across the country have with regard to indemnification.

I am happy to support repeal of the provision in the Defense Appropria-

tions Act in order to get the base reuse process moving again and to allow for the transfer of Department of Defense property. However, I and various communities across the country have some continuing concerns about the scope of the protection provided in the authorization act. These concerns include matters relating to a variety of pollutants and contaminants not addressed in the authorization act. In addition, there is a need to clarify that the authorization act provides protection for all activities of the Department of Defense including those activities that were carried out by contractors and subcontractors acting on behalf of the Department of Defense on military installations.

I would like to ask the Senator from Ohio [Mr. GLENN] if he will be addressing these concerns in the Defense authorization bill for fiscal year 1994?

Mr. GLENN. Yes. I would be pleased to work with the Senator from California in addressing those concerns which have been raised with regard to the provision in the authorization act (Public Law 102-484).

DEFENSE DEPARTMENT AND DRUG INTERDICTION

Mr. DECONCINI. Would the chairman of the Defense Appropriations Subcommittee yield to the Senator from Arizona for the purposes of a colloquy?

Mr. INOUE. I would be pleased to yield to my friend from Arizona.

Mr. DECONCINI. In the report accompanying the Senate version of the fiscal year 1993 Defense appropriations bill, the chairman included language urging the Defense Department to upgrade and transfer up to five existing UH-1 (Huey) helicopters to the Border Patrol to enhance drug interdiction operations along the Southwest border. The language also approved the use of up to \$4.9 million of the total amount appropriated for "Drug Interdiction and Counterdrug Activities, Defense" for this purpose. Am I correct in stating the actions of the Defense Subcommittee?

Mr. INOUE. The Senator is correct.

Mr. DECONCINI. To date, however, the Clinton administration has yet to take action on this program. In my conversations with administration officials, they have not opposed this program. Nor have they proposed other uses for these funds. They simply have not gotten around to taking firm action on this issue.

I am concerned that our people who are on the ground trying to stem the flow of illegal drugs into this country are outgunned in their efforts. I am concerned that the administration not forget about this program.

In order to focus their attention, I had planned to offer an amendment earmarking these funds to ensure that the program would go forward. After discussing this matter with the chairman of the Defense Subcommittee, I have decided to not proceed with my

amendment—even though the chairman indicated that he would have supported my amendment if I had sought a vote.

Instead, the distinguished chairman has indicated that he would work with me in urging the Defense Department to take action on the report language as it regards this program to ensure that the will of Congress on this matter is appropriately addressed in a timely manner. Am I accurately stating the chairman's position on this issue?

Mr. INOUE. The Senator from Arizona is accurate in his statement. I would have supported his amendment and I will work with him on getting the Defense Department to act on the report language accompanying the fiscal year 1993 Defense appropriations bill.

Mr. DECONCINI. I thank the distinguished chairman for his assistance on this important drug interdiction issue and I yield the floor.

The PRESIDING OFFICER. If there are no further amendments to be proposed, the clerk will read the bill for a third time.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (H.R. 2118), as amended, was passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

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

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I move that the Senate insist on its amendments.

The PRESIDING OFFICER. Will the Senator yield for a moment? I apologize to the Senator. The Senate will be in order.

I thank Senators.

The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I thank the Chair. The Chair did his duty in securing order.

I move that the Senate insist on its amendments, request a conference with the House of Representatives on the disagreeing votes of the two Houses, and the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer [Mr. WELLSTONE] appointed Mr. BYRD, Mr. INOUE, Mr. HOLLINGS, Mr. JOHNSTON, Mr. LEAHY, Mr. SASSER, Mr. DECONCINI, Mr. BUMPERS, Mr. LAUTENBERG, Mr. HARKIN, Ms. MIKULSKI, Mr. REID, Mr. KERREY, Mr. KOHL, Mrs. MURRAY, Mrs. FEINSTEIN, Mr. HATFIELD, Mr. STEVENS, Mr. COCHRAN, Mr. D'AMATO, Mr. SPECTER, Mr.

DOMENICI, Mr. NICKLES, Mr. GRAMM, Mr. BOND, Mr. GORTON, Mr. MCCONNELL, Mr. MACK, and Mr. BURNS conferees on the part of the Senate.

Mr. BYRD. Mr. President, I thank my colleague, Senator HATFIELD, on the extraordinary work he has done on this bill.

The PRESIDING OFFICER. My apologies to the Senator. Will the Senator yield for a moment?

Mr. BYRD. I have finished.

The PRESIDING OFFICER. The Senator is finished.

The Senate will still be in order.

Mr. MCCAIN. Mr. President, I want to express my appreciation to the Appropriations Committee for their assistance in addressing problems created by the agricultural disasters that we experienced in the South and Southwest earlier this year. This is an issue that I have been working on since my State was soaked by severe floods earlier this year, and I am pleased that the Senate has taken action to help farmers in my State and across the Nation.

Mr. President, earlier this year, I introduced legislation which would make unexpended disaster funds available to farmers who suffered losses due to natural disasters in the first part of this year. In addition to my legislation, I have also corresponded with the Secretary of Agriculture asking him to make this money available administratively.

The measure before the Senate today includes provisions which would accomplish that goal. It would also provide disaster assistance for quality losses for wheat, feed grain, sorghum, barley, oats, rice, upland cotton, soybeans, peanuts, sugarcane, sugarbeets, and citrus.

My colleagues may be aware that earlier this year rainstorms in the Southwest wreaked havoc in my home State of Arizona. In just 2 months, we have received our average annual amount of rainfall for an entire year. The flooding destroyed homes, washed out bridges and dislocated hundreds of families.

One of the most severely affected areas of my State has been the agricultural center of Arizona, Yuma County. Flooding along the Gila River in Yuma has had a dramatic effect on farms and homes. Arizona's Department of Agriculture has estimated the cost of cleaning up and restoring the fields for use may be more than \$100 million. Additionally, in-ground crops and future harvests have been damaged.

The assistance provided in this bill will greatly help the farmers in Yuma County, the State of Arizona, and the rest of the Nation. Again, I am pleased that my colleagues have acted to help American farmers. I ask unanimous consent that my letters to Secretary Espy and his response be printed at this point in the RECORD.

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

U.S. SENATE,

Washington, DC, March 18, 1993.

Hon. MIKE ESPY,
Department of Agriculture,
Washington, DC.

DEAR SECRETARY ESPY: As you may know, the Southwest and the South have been struck by a recent series of storms. We are seeking your assistance in providing relief to farmers who have suffered losses due to weather related disasters.

These storms have caused a significant amount of damage in our states. The agriculture industry has been particularly hard hit. Most of the Southwest received record rainfall levels during the months of January and February which have resulted in widespread flooding. This last weekend, much of the South was affected by the recent blizzard causing freeze damage and wind damage to many crops.

It is our understanding that some of the agricultural disaster assistance authorized in 1990, 1991 and 1992 is still available. We are introducing legislation in the Senate which would authorize you to make these funds available for farmers who have suffered losses because of the recent storms.

We request that you determine if this funding can be made available administratively without legislative authority. If this is possible, please advise us how farmers could apply for assistance.

Thank you for your prompt attention to this matter. We look forward to working with you on this and other vital issues in the future.

Sincerely,

JOHN MCCAIN,
U.S. Senator.
THAD COCHRAN,
U.S. Senator.
PAUL COVERDELL,
U.S. Senator.

DEPARTMENT OF AGRICULTURE,
Washington, DC, April 19, 1993.

Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: Thank you for your letter to Secretary Espy concerning disaster assistance authorized in 1990, 1991, and 1992 under provisions of the Food, Agriculture, Conservation, and Trade (FACT) Act of 1990.

The disaster provisions of the FACT Act and subsequent funding authorities have made assistance available from the Agricultural Stabilization and Conservation Service for production losses of 1990, 1991, and 1992 crops. All of the funds which have been made available would be utilized to make disaster payments to currently eligible producers in the absence of any new legislation. To make payments to producers for 1993 crop production losses would take both authorizing and appropriating legislation.

However, assistance is available from the Farmers Home Administration (FmHA) and the Rural Development Administration (RDA) to farmers who have suffered weather-related disasters.

On January 19, 1993, ten Arizona counties (Apache, Coconino, Gila, Graham, Greenlee, Maricopa, Navajo, Pima, Pinal, and Yavapai) were named as primary disaster counties in a Presidential Major Disaster Declaration due to damages and losses caused by flooding. Amendments to this declaration added Cochise, Santa Cruz, and Yuma counties to the list of primary counties.

Low-interest emergency (EM) loan assistance from FmHA is available in the primary disaster counties and those named as contiguous. FmHA EM assistance is available to assist family-sized farmers who have suffered a qualifying physical loss or a production loss of at least 30 percent in any single enterprise which constitutes an essential part of their total farming operation. Applications for this assistance will be accepted through September 20, 1993, in local FmHA county Offices. We encourage interested family-sized farmers to contact their County Office for further information and assistance.

Also, the January 19, 1993, Presidential declaration activated funds allocated to RDA under provisions of the Dire Supplemental Appropriations Act, Fiscal Year 1992. Under the Act, an additional \$305 million in guaranteed loan assistance was allocated to RDA's Business and Industry (B&I) program to aid victims of Presidentially-declared natural disasters and emergencies.

The B&I program provides assistance to new and existing rural businesses through loan guarantees. The basic purposes of this program include developing or financing business or industry, increasing employment, and controlling or abating pollution.

Ordinarily, this type of assistance is available only to businesses located in areas outside the boundary of a city of 50,000 or more and its immediate adjacent urbanized area. However, under the separate disaster appropriations provided for in the 1992 Act, RDA may loan up to \$10 million to agricultural producers (without regard to the size of the operation) and to most commercial business ventures. There is no population limitation for this funding, and funds may be used for construction, repair, buildings, working capital, machinery, and equipment to assist in covering costs resulting from Presidentially-declared natural disasters and emergencies. This assistance is available only to those businesses or individuals located in the primary disaster counties.

The B&I program was formerly operated by the FmHA. Since the newly created RDA does not have its field structure in place, FmHA continues to administer the program on the local level. We encourage interested business owners or agricultural producers to contact the FmHA State Office, at the following address, for further information and application materials: Farmers Home Administrators, 201 East Indianola, Suite 275, Phoenix, Arizona 85012. Telephone: (602) 640-5087.

We can certainly appreciate the hardships which farmers have suffered during the last several months due to weather-related disasters. Any application submitted to FmHA or RDA will be provided every consideration under those agencies' statutory and regulatory authorities.

We hope this information is helpful to you. A similar letter is being sent to each of your colleagues.

Sincerely,

ROBERT PETERS,
Acting Under Secretary for Small Community and Rural Development.

U.S. SENATE,
Washington, DC, May 5, 1993.

HON. MIKE ESPY,
Department of Agriculture,
Washington, DC.

DEAR SECRETARY ESPY: On March 18, we wrote to your office requesting that the Department of Agriculture consider making unexpended 1990-92 disaster funds available to farmers who have suffered losses due to

weather related occurrences in the first quarter of this year.

We appreciate your response outlining existing programs currently available. It was our intention, however, to bolster these programs by making the unexpended 1990-92 funds available to farmers who suffered losses in the first quarter of this year.

The response indicated that both authorizing and appropriating language would be necessary to make these funds available. While we understand that authorizing language may be necessary, we have been advised that appropriation language would not be required because we are not requesting new monies. Please clarify this aspect and advise us how much of these unexpended funds are available.

In addition, it is our understanding that the Department of Agriculture intends to use the unexpended disaster funds for producers of corn who suffered quality losses in 1992. We understand the need to bring relief to corn farmers who face a critical situation. In fact, we appreciate your actions to provide relief for losses resulting from weather related quality reduction. We have concerns, however, that this assistance was not made available to other crop producers.

As you know, other producers have suffered quality losses due to weather-related occurrences. For example, cotton and wheat have also suffered substantial weather-related losses in recent years. If this program is going to be extended, these producers are also worthy of assistance.

It is our understanding that the 1990 Farm Bill, which provides statutory authority for disaster assistance, requires that before a producer receives an additional payment for quality-related losses, the producer must qualify for quantity-related losses. Since many of the corn farmers did not suffer adequate losses to qualify for disaster assistance, the Agricultural Stabilization and Conservation Service (ASCS) created a schedule in which actual yield quantities would be reduced depending on the grade of corn that was produced. This appears to be a very creative way to bring assistance to beleaguered corn producers.

Again, we appreciate your efforts to be creative to resolve the problems that corn farmers face. We would urge you to be equally creative in resolving problems of farmers who have suffered weather-related losses in the first quarter of this year, within existing guidelines and regulations.

We look forward to your attention to this very important matter.

Sincerely,

JOHN MCCAIN,
U.S. Senator,
THAD COCHRAN,
U.S. Senator,
PAUL COVERDELL,
U.S. Senator.

COMMUNITY ENTERPRISE GRANTS

Mr. KENNEDY. It has been more than 1 year since the violence in South-Central Los Angeles highlighted the severe and persistent problems that exist in the Nation's cities and we still have not enacted legislation to begin to address these problems. Meanwhile, cities such as Boston have moved forward—taking a comprehensive approach to integrating job training, education, and health care to rebuild our inner cities. But they cannot go it alone. They need and deserve our support.

Last year, working with the leadership, Senators RIEGLE, BIDEN, and I crafted a package of direct investments—community enterprise grants—to complement the tax expenditures in the enterprise zone legislation developed in response to the riots. Although this package along with the tax provisions were vetoed by President Bush, the Congress did enact an appropriation of \$500 million to fund the community enterprise grants in Public Law 102-368, the Supplemental Appropriations, Transfers, and Rescissions Act of 1992.

Currently, the tax enterprise zone legislation has passed the House as part of H.R. 2264, the Omnibus Budget Reconciliation Act of 1993. The administration has proposed authorizing language or the community enterprise grants and the committees of jurisdiction are currently considering this legislation.

Unfortunately, the supplemental appropriations bill this is before us today would rescind the funds for the community enterprise grants. The House version of this bill does not include this rescission although it delays obligation of the funds until the end of this fiscal year. I have no objection to delaying obligation of the funds since congressional action on the tax and investment pieces of the enterprise zone legislation has been developed, and the program will not be up and running before that time. However, and I understand that the administration concurs, it is a serious problem to rescind the funding altogether—particularly when there is no agreement in place to provide the necessary funds as part of fiscal year 1994 appropriations.

I ask that we all work together—authorizing and appropriations committees and the administration—to resolve this problem. I am fully aware of the difficulties faced by the Appropriations Committee. I understand that everyone will have to give a little to accommodate a number of worth competing needs for very limited funds.

Mr. RIEGLE. I concur with Senator KENNEDY that a delay in the obligation of the funds for enterprise zones is not a problem because it will take some time to get the program up and running. But elimination of the funds altogether strikes at the heart of the investment component of the enterprise zone proposal. The administration has made this proposal a critical piece of its agenda to revitalize distressed urban and rural communities. I hope we can work together to implement this important proposal and get moving again on breathing new life into our inner cities and distressed rural area.

Mr. BIDEN. I concur. I believe that the supplemental appropriations bill that is before us today offers several valuable programs. In particular, I strongly support the resources for community policing programs. Community

policing programs have proven their worth in combating the epidemic of crime that is tearing apart neighborhoods in every region of our country. I would also like to recognize the effort of the Appropriations Committee to balance several competing needs in the face of such extreme budgetary pressures.

Unfortunately, the bill that is before us rescinds the funds for community enterprise grants. I have no objection to delaying the obligation of these funds until the end of this fiscal year. However, I support the views of several of my colleagues—and I understand the administration shares this view—the community policing and other initiatives included in the community enterprise program respond to a vital national need. I further understand that the administration's position calls for \$500 million to fund community policing efforts during the first 2 years of the enterprise program. This would be a particularly effective use of this proven crime-fighting tool.

Thus, I join my colleagues in asking that the appropriate authorizing committees, the Appropriations Committee and the administration work together to resolve the issues relating to the community enterprise program.

Mrs. BOXER. I share Senator KENNEDY's concern that over a year after the disturbances in Los Angeles, legislation to address urban problems has yet to be enacted. We must provide a serious response to the urban crisis in our Nation. If we fail to do so, we will have learned nothing from the events of last spring in Los Angeles, and we will only continue to witness urban disturbances devastate our cities. More tragic, but hidden from our view, will be the despair that deepens in the hearts of those who live in our cities. Without jobs, with poor educations, and with little hope—crime, drugs, and violence will continue to consume them.

I do not want to witness the distress on the faces of my constituents in Los Angeles, should we again fail to craft legislation and provide funds that would enable their communities to rebuild. I urge the members of the authorizing and appropriating committees, in conjunction with the administration, to achieve a compromise that will protect critically needed urban aid.

Mr. HARKIN. I concur that we need to take action to address the needs of poor inner city and distressed rural communities. The supplemental bill before us today includes summer jobs and community policing grants for these and other communities.

These programs which serve our cities are already authorized. I will continue to work with my distinguished colleagues on these important matters.

Mr. FORD. Mr. President, on behalf of the majority leader I wish to an-

nounce there will be no more votes this evening.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

MORNING BUSINESS

Mr. FORD. Mr. President, I ask unanimous consent that the Senate now go into morning business with Senators allowed to speak therein not to exceed 15 minutes.

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

IRRESPONSIBLE CONGRESS? HERE IS TODAY'S BOXSCORE

Mr. HELMS. Mr. President, as anyone even remotely familiar with the U.S. Constitution knows, no President can spend a dime of Federal tax money that has not first been approved by Congress, both the House of Representatives and the U.S. Senate.

So when you hear a politician or an editor or a commentator declare that "Reagan ran up the Federal debt" or that "Bush ran it up," bear in mind that it was, and is, the constitutional duty of Congress to control Federal spending, which Congress has failed miserably to do for about 50 years.

The fiscal irresponsibility of Congress has created a Federal debt which stood at \$4,296,985,941,229.90 as of the close of business on Friday, June 18. Averaged out, every man, woman, and child in America owes a share of this massive debt, and that per capita share is \$16,728.97.

TRIBUTE TO J.C. KENNEDY

Mr. BOREN. Mr. President, on May 17 of this year, Oklahoma lost one of its most outstanding citizens, J.C. Kennedy. J.C. was a truly remarkable human being. He demonstrated what is best in the American spirit. He was respectful of the past, but his attention was always focused on the future and how we could make things better. He was forever young in his thinking, his enthusiasm, and in his idealism.

He was a mentor to me and to countless other young men and women who wanted to be public servants. His belief in us helped us to believe in ourselves and in our dreams that we could make a difference.

He was not a self-righteous man, but instead merely a quietly just man who could poke fun at himself while quietly demonstrating the moral courage to stand by his convictions. He marched

for racial justice in Alabama in the 1960's, but more importantly he helped to racially integrate his own hometown. He stood for equal rights for women before it was politically correct.

A wonderful and loving father to his three children and a devoted husband to his wife Wynn who was his partner in all his good endeavors, J.C. Kennedy was a worthy role model in his private life as well as in his public service.

His memory will remain strong with all who knew him. Every time we take a stand for what we believe is right and every time we look to the hope represented by the future instead of dwelling on the mistakes of the past, we will feel the presence of J.C. Kennedy standing with us.

I ask unanimous consent that an editorial from the Tulsa World and the eulogy of J.C. Kennedy presented at his memorial service by President Don Davis of Cameron University be inserted into the RECORD at the conclusion of my remarks.

[From Tulsa World, May 19, 1993]

A VOICE OF REASON

J.C. Kennedy, one of the guiding lights of the political establishment in this state for a generation, died Monday at his home in Lawton, He was 83.

Kennedy served as an alternate delegate to the United Nations, as chairman of the state Democratic Party and in many other civic and political roles.

Despite his identity as a partisan Democrat, Kennedy was a trusted adviser to governors, senators, members of Congress and other elected officials of both parties for much of his adult life. His advice was usually progressive and always reasonable. A businessman and banker, he honestly believed that his state, his country—indeed, the world—could be made better and that one person could make a difference. He never shied from controversy.

In the 1950s and early 1960s, long before it became politically correct, Kennedy stood up for peaceful integration and public accommodations for blacks. He would have laughed at being called a crusader, he simply believed in fair play.

Oklahoma has lost a persuasive voice of advancement and reason.

EULOGY FOR J.C. KENNEDY, GIVEN BY DON DAVIS, MAY 20, 1993

A Yellow Dog Democrat is someone who would vote for a yellow dog if it was running on the Democratic ticket. J.C. Kennedy was a Yellow Dog Democrat.

It was a name he picked for himself—in fact earned for himself—and he displayed it with pride in the form of a lapel pin he wore regularly and bumper stickers he kept on his car far past election day.

J.C. was an Irish Catholic Democrat, and he pulled the best qualities from each of these groups to form a composite person who was eternally optimistic, championed the underdog, promoted just causes, gave generously of himself, enjoyed a good fight, knew when to make peace, and could both give and take advice, knew that right would prevail in the end, and always was absolutely convinced he was right.

As a Democrat, J.C. placed a priority on people over property, was a strong proponent

of civil rights, believed all people should be able to find a self-worth and dignity through jobs and affordable housing, and was an advocate for opening up the political processes of his party and government to greater public participation. For more than a half century he practiced these beliefs in the service of his community, state and nation.

In politics, the term "kingmaker" is used to describe a person who has sufficient power or influence to get a candidate for public office elected. J.C. Kennedy came about as close to being a kingmaker as anyone in Oklahoma Democratic politics.

He had an uncanny ability to pick a winner early, most times when few others in the state had recognized the candidate's ability. Again and again, J.C. would recognize the potential in an aspiring politician and help propel that person from relative obscurity to prominence.

Consider these examples:

J. Howard Edmondson, Tulsa prosecutor whose prairie fire campaign brought sweeping reforms to Oklahoma state government.

Glenn English, who had been J.C.'s assistant when he was state Democratic chairman, then ran for Congress since he had no place else to go and now is Oklahoma's senior congressman.

David Boren, who with his Broom Brigade and J.C.'s help went from the back row of the Oklahoma House of Representatives to the Governor's Mansion.

Robert Henry, a bright but little-known state representative from Shawnee, who at the last election was reelected without opposition as Oklahoma's Attorney General, which is the first time that has happened in the state's history.

David Walters, the first governor ever elected from western Oklahoma.

Jimmy Carter, whose presidential campaign gained momentum in Oklahoma and across the nation after J.C. joined his team.

As we think back on these campaigns and others, each of us can remember experiences we shared with J.C. Kennedy. As I began to pull together these remarks for today, friends of J.C. and Wynn from all over Oklahoma called to share recollections with me. Since we can tell only a few in our time today, each of you was given a card as you came in on which you can write your favorite J.C. Kennedy story and share with his family. Turn them in as you leave or mail them back later either directly to J.C. and Wynn's address or to me at Cameron University and I will deliver them.

Without exception, each of the persons I talked with shared a common recollection about their experiences with J.C. Kennedy. That common recollection was that J.C. never sought anything for himself in his political activities.

One summed it up this way: "He was unique among powerful politicians in that he didn't want anything. Others would give their support only on certain conditions, but not J.C. He made up his mind independently and never asked for anything."

One after another, all those I talked with focused on integrity when they discussed their experiences with J.C. And they recalled him as one who staked out his positions on principle, then pursued them with good humor, but with a determination to win.

Another common recollection was his frugality. I have carefully and diplomatically chosen the word frugality to describe his reputation for never having picked up a restaurant or bar tab, and his penchant for smoking O.P. cigarettes. O.P., for those of you who don't know, stands for "other people's."

Several recalled the odd couple of J.C. and his longtime business partner Exall English. With J.C. as the area's preeminent Democrat, and Exall filing a similar position in the Republican ranks, they were able to work both sides of the street and meet at the end. In fact, the practice worked so well that a similar arrangement reportedly was initiated between J.C. and his friend Jack Carter with respect to Democratic candidates. It never hurts to have a friend in the winner's camp.

We all know the statistics which resulted from J.C.'s positions on good Irish Catholic Democratic principles. As a result, he was:

State Democratic Chairman from 1968 to 1972.

Delegate to the United Nations in 1977.

Oklahoma Highway Commission Member 1959-1963.

Oklahoma Department of Transportation Chairman 1975-79.

Inducted into the Oklahoma Hall of Fame in 1979.

Received Cameron University's Distinguished Service Award in 1987.

Director of the Cameron University Foundation.

Trustee for St. Gregory's College in Shawnee.

President of Lawton Chamber of Commerce.

President of Oklahoma Good Roads and Streets Association.

President of Lawton Rotary Club.

While achieving this incredible record of public service and civic contribution, J.C. was successful in his business ventures in banking and as a partner in Kennedy & Ford, Lawton's oldest insurance and real estate firm.

While many of J.C.'s contributions were at the state and national level, his leadership in Lawton's civil rights efforts of the 1960's was particularly important to his home community. It would have been far easier to travel to Alabama or Mississippi and participate in a freedom march than it was to stay at home and work for civil rights where the business fortunes of your bank and insurance and real estate interests might be adversely affected.

Earlier, I spoke of J.C. as a kingmaker and gave examples of those whose public careers had prospered with his nurture. As important as these persons were, J.C. had another role as kingmaker which was equally important to him.

His other role as kingmaker has involved working with men and women, girls and boys who because of diminished mental capacity, illness, affliction or poverty had been unable to get or keep a job, have a place to live or enjoy the kind of physical activities that youngsters should have a right to.

At Goodwill Industries, he provided leadership for one of the nation's most successful efforts in assisting those with disabilities work with pride and dignity and earn self-esteem at the same time they earn a living.

And what's a king—or—queen—without a castle? Every man's home is his castle. Goodwill Village, which is now being expanded, provided another national model, this one for handicapped housing.

J.C. has long been a proponent of affordable housing for the poor, having been the initial president of the Oklahoma Housing Conference, which championed public housing legislation and development.

The Child Development Program at St. Gregory's College in Shawnee has taught children whose physical afflictions will not allow them to walk a straight line to at least swim a straight line or ride a horse along a

straight line. And for the first time these children have felt regal.

The life's work of J.C. Kennedy as a Democrat, kingmaker, public servant, and leader in civil rights and civic affairs, has been as the champion of those whose cause was just, but lacked the capacity or clout to achieve their ends.

J.C.'s life reminds me of the story of the final judgment told in the twenty-fifth chapter of Matthew where the people of all nations will be divided into two groups, and as Jesus invites the righteous to enter into his kingdom, he will say, "I was hungry and you fed me, thirsty and you gave me a drink; I was a stranger and you received me in your homes, naked and you clothed me; I was sick and you took care of me. in prison and you visited me."

And the righteous will then ask him, "When, Lord, did we ever see you hungry and feed you, or thirsty and give you a drink? When did we ever see you a stranger and welcome you into our homes, or naked and clothe you? When did we ever see you sick or in prison, and visit you?"

To which Christ will reply, "I tell you, whenever you did this for one of the least important of my brothers, you did it for me."

And that, my friends, sums up the ministry of Democratic politics which was the life of J.C. Kennedy.

There is no other way to end these remarks than with an appropriate Irish blessing.

May the roads rise to meet you
May the winds be always at your back
May the sun shine warm upon your face
The rains fall soft upon your fields
And until we meet again
May God hold you
In the hollow of His hand

THE PHOENIX SUNS

Mr. DECONCINI. Mr. President, I would like to take this time to give a well-deserved congratulations to the Phoenix Suns, 1993 NBA Western Conference Champions. They had a season that was better than any other we, as fans, have experienced, and I wish to thank them on behalf of the State of Arizona for an exciting season and a hearty chant of "Wait til next year!"

Suns president and chief executive officer, Jerry Colangelo, did a fine job this year, as evidenced by earning his fourth NBA Executive of the Year Award. He went against what was known as common logic to trade away fan favorite Jeff Hornacek for a controversial figure, Charles Barkley. Because of that trade, he deserves as much credit as the players for the Suns' effort this year. He continues to show that he is a basketball genius and the standard by which all other owners are measured.

Of course, you cannot overlook the performances of the players and coaches. There is Barkley, who own his first league MVP award; All-Star Dan Majerle, who set or tied two playoff records with his long-distance accuracy; Kevin Johnson, who proved through the playoffs that he is an elite point guard; and Head Coach Paul Westphal, who won 62 games in his first year.

There are the seasoned veterans like Danny Ainge, who provided strong guidance through the finals as a two-time champion with the Boston Celtics; Tom Chambers, who provided offensive spark off the bench and guidance that only comes from going through the rigors of playoff basketball year after year; and Frank Johnson, who battled to make the team after playing in Europe and who played an important role in stabilizing the offense.

For the future, there are the new young players who will certainly determine the progress of the team. There is 3-year vet Cedric Ceballos, who missed the playoffs due to foot surgery but was an important cog in the team's firepower; rookie Richard Dumas, who wowed audiences everywhere he went, and especially opened eyes in the Eastern press during the finals with his tremendous athletic ability; and rookie Oliver Miller, whose deceptive size veils his awesome skills as a shotblocker and adept passer. These three certainly have a place in the Suns' future, and should be proud of their individual contributions to the team's present success.

The Chicago Bulls showed the Suns why they are champions, and I congratulate them. I also thank them for giving the Suns a few good lessons on what it takes to be the best. Here's hoping the Suns apply what they learned next year, when I hope to renew my friendly wager with the distinguished Senator from Illinois [Ms. MOSELEY-BRAUN] and get my bushel of Illinois corn I wanted this year.

Again, thank you Jerry Colangelo and the Phoenix Suns for another fantastic year. You are champions in the hearts of Arizona—hearts that bleed purple and orange.

BOTTOM-UP REVIEW

Mr. WARNER. Mr. President, I ask unanimous consent that a copy of a letter that I have written to the Secretary of Defense be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. WARNER. Mr. President, the letter, which I wrote today, asks the Secretary of Defense, in the course of his bottom-up review, to allow for some period of time within which the Congress and the private sector and other interested parties may give constructive comments before that important document is final. That document will have a major impact in America's economy, and I think it should be thought through very carefully before it is finalized.

I thank my distinguished friend from Colorado.

EXHIBIT 1

U.S. SENATE,

Washington, DC, June 22, 1993.

Hon. LES ASPIN,
Secretary of Defense, The Pentagon, Washington, DC.

DEAR MR. SECRETARY: During open hearings today with Under Secretary Deutch and last week with Deputy Secretary Perry, I urged your Department to adjust the procedure and timing of the "bottom-up" review to allow for a short consultative process, during which the public and individual members of Congress may offer written views on the review before it is finalized and approved by the President.

Your "review" will have significant impact on many sectors of our nation's economy. The long range implications, particularly with personnel levels, procurement, and other spending formulas, will affect local economies far more than the forthcoming decision of the Base Closure Commission, a process that involves substantial public input.

Over the past months, you, General Powell, and others have cited errors made in defense draw-downs after World Wars I and II, Korea and Vietnam. This history documents how your predecessors, persons of good conscience trying to do the difficult task with care, have erred.

I don't advocate a formal process—just a reasonable period of time for those affected by your decisions to at least have an opportunity to offer written views before your decisions are finalized. You, of course, would be free to act on, or reject, any comments received.

In short, you are in the process of making decisions of vital importance to many sectors of the American public. I think it can only improve that decision process if those various affected parties are given some chance to express their views.

Mr. Secretary, this procedure is suggested in the spirit of trying to improve the decision process. Of course, it would in no way obviate the authority of Congress to review, and change if appropriate, any decisions coming from the review.

Would you please let me know as soon as possible if you believe there is merit in allowing public comment in this important process.

Sincerely,

JOHN WARNER.

A TRIBUTE TO MRS. RICHARD NIXON

Mr. THURMOND. Mr. President, I rise today to pay tribute to the memory of a lovely lady and a good friend, Mrs. Richard Nixon, who passed away this morning. Pat Nixon was a woman of character, courage, and compassion, and an outstanding individual in every way. She will be deeply missed.

Mr. President, in the past our Nation has not been very appreciative of the tremendous contributions made by our First Ladies. We have taken their hard work, diplomacy, and devotion for granted; and I have always believed this was a mistake. In many cases—probably most cases—the President would not perform his duties without the advice and support of his spouse.

These women have essentially been unsung heroes. They have worked tire-

lessly—for no salary and almost no recognition—to enable their partners to carry out the heavy responsibilities of our Nation's highest office.

Mrs. Nixon was such a First Lady. She was a person of great strength and ability, and an invaluable asset to President Nixon throughout their life together. Her kindness and common sense, her sincerity, and her tremendous personal warmth endeared her to all she met; and she was always there for her husband and her family in good times and in bad.

Mrs. Nixon was born in 1912, in Ely, NV; the daughter of a miner who later took up ranching. Her father gave her the nickname "Pat" because she was born just before St. Patrick's Day. She graduated cum laude from the University of Southern California, and worked as an x-ray technician, teacher and economist. She met Richard Nixon—then a young attorney—at rehearsals for a community theater play in 1937.

During her many years in public life, Mrs. Nixon was an advocate for voluntarism and humanitarian service. She was an accomplished and graceful hostess, and her intelligence and charm made her instrumental in President Nixon's foreign policy successes. Although she shied away from the spotlight a bit, preferring to remain in the background, she was a forthright and valued adviser to her husband.

Mr. President, our Nation has lost one of its finest women, and we shall miss her very much. I extend my deepest condolences to President Nixon, Tricia, Julie, and the rest of Mrs. Nixon's fine family at this time of sorrow. They will be in our thoughts and prayers.

TRIBUTE TO DR. WILLIAM ROBERT MARTIN

Mr. MCCONNELL. Mr. President, I rise today to honor the memory of Dr. William Robert Martin, one of the University of Kentucky's most distinguished pharmacology researchers and a national leader in the study of substance abuse.

Dr. William Martin dedicated more than 40 years of his life to neuropharmacology study, exploring the properties of drugs and their effects on the human neurological system. Dr. Martin began his pioneering investigations as a member of Lexington, Kentucky's National Institutes of Health Addiction Research Center in 1957, and served as its director from 1963 to 1977. From 1977 to 1990, he administered the University of Kentucky's pharmacology department, and continued to cultivate the scientific curiosity of aspiring medical students as an anesthesiology professor at UK's College of Medicine.

Dr. Martin's work revealed pivotal factors in understanding the development of drug addiction and the consequences of substance abuse. His invaluable legacy is not only honored through his many awards, including the 1971 Public Health Service Meritorious Service Medal, but also by researchers and patients who continue to strive for greater insight into one of humanity's greatest health care challenges.

Mr. President, I ask my colleagues to join me in honoring the lifetime accomplishments of Mr. William Martin, and to offer our sincere condolences to those who mourn the loss of a beloved family member, and an esteemed associate.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. BREAUX. Thank you very much, Mr. President. I thank the majority whip for his courtesy.

The PRESIDING OFFICER. Will the Senator yield?

The Senator from Louisiana is speaking. Will there please be order in the Chamber?

The Senator is recognized.

Mr. BREAUX. I thank the Chair.

BASE CLOSINGS

Mr. BREAUX. Mr. President, I take this opportunity just to share some information with my colleagues who are representing States that had the experience of going through a proposed base closure.

We had a situation in Louisiana a couple years ago where we had an Air Force base, England Air Force Base, which was put on the so-called hit list and actually we went through all of the hearings to argue that the base should not be closed.

Mr. President, there is a very interesting article on the front page of the Wall Street Journal this morning. It is entitled "Closing Military Base Doesn't Sound Taps for Alexandria, LA. The City Fought the Pullout, But Also Wooed Tenants For Air Force's Property," and the subhead line is "A Survival Guide for Others."

I commend to all my colleagues who have similar situations in their States when they are facing the possibility of base closing to read this article, because I think it can be very helpful.

When the proposal first hit Louisiana the local economy went into turmoil. They were very concerned, and the article says:

The local economy would be set back 15 years, one economist warned, and nearly 6,400 jobs would be lost. Retailers feared sales would plummet, property values were slashed when the closing was announced. Development stopped cold.

There was sense of hysteria that covered this central Louisiana area because of the announced base closing. Today, just a year after the closing was

accomplished, housing prices are higher than they were in 1991, job growth has remained steady with 400 new jobs created last year and hundreds more expected. Instead of a drop in business the city officials enjoyed a 10-percent increase in sales tax revenues.

I just conclude with the last sentence in the article which I think is very true. There is a local businessman who said:

This area will be better off, with the new development they're doing now, than if they had kept the base intact.

I think this just shows what a community can do when they make up their minds to work together after the base closure is clearly established; that they can do things and bring in new business; use that property to generate jobs. Instead of spending all of their time trying to stop the closure, they actually worked and got a great deal accomplished.

I think they are absolutely correct, they will be better off in the future with the base closed than they were with it open because of the great work the local community did. I wanted to share that with my colleagues.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mrs. BOXER). The Senator from Oklahoma.

AGRICULTURE DISASTER ASSISTANCE

Mr. BOREN. Madam President, just very briefly, I see the Senator from Arkansas is on the floor and my colleague from Oklahoma is on the floor.

We have had a problem in our State due to floods and hailstorms that occurred after the cutoff date of May 1 in this bill on the coverage of disasters. We had flooding in May and, after that period of time, severe hailstorms in the northern part of our State on the 3d of June.

I would like to yield to my colleague from Oklahoma to perhaps give additional details about it. We would like to then request of the Senator from Arkansas, who chairs the subcommittee in this area, if he might look at this situation, perhaps, as we go to conference on the bill in which the final date for coverage on disasters will be fixed. It is our hope that he might consider how much funding would be required if we extended the date to the middle of June. If it could not be extended to the middle of June, it is our hope that perhaps he would work with us when the regular appropriations bill comes up.

Mr. FORD. May I ask the Senator a question?

Does that include the flooding now in Wisconsin and Texas and all those States that are going through probably as bad a situation as in Oklahoma? What about the deadline for them?

Mr. BOREN. I do not know when these various floods occurred. I know

that with the cutoff date, I think most of those have been taken care of.

Mr. FORD. They are just now going on. They are in the month of June and they are devastating. I wonder if the May deadline can be extended until June. And are you going to extend it to other parts of the country, also? That was my question. It is going to cost a lot of money.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Madam President, to respond to the Senator from Kentucky, I had an amendment that I had hoped my colleague and friend from Arkansas would be able to agree to that would extend the date—we did extend it in the bill to May 1—I was hopeful that we would be able to extend it to July 1.

It is my hope that my friend from Arkansas will be able to have the extension of time, either in conference or will have consideration in the 1994 appropriations bill, because we have had very significant damage in our State and, I am sure, as the Senator from Kentucky has mentioned, in some other States, significant flood damage that is eligible and would be eligible for disaster assistance.

I might mention, because of the peculiar situation that we are in, we did extend the damage time limit under the bill to May 1. We had a lot of people in this wheat crop, for example, that were eligible for flood disaster assistance in the month of March and, even though there was very significant hail damage on June 3 in my State, they will not be eligible immediately.

So I would just ask my friend and colleague from Arkansas, if we could get some good estimates on the cost assessments from the Agriculture Department, if he would consider either modifying that date or would give us some consideration under the 1994 appropriations bill.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Madam President, both Senators from Oklahoma have stated the problem, but, if I may restate it from a slightly different perspective, it is this: There is \$445 million in the existing farm disaster fund. Right now, there are claims of well over \$600 million against that, and climbing every day, to take care of agriculture disasters that occurred prior to May 1, 1993.

The Presiding Officer should know that we even included citrus today, which is a rather dicey thing, but that is a different argument. We included citrus.

But when we checked with the ASCS, in an attempt to accommodate the Senators from Oklahoma in moving the date before which a disaster would have had to occur, moving that date from May 1 to June 4, we found that

not only did Oklahoma have disaster in that length of time, but my own home State of Arkansas is suffering from the same floods that swept across Oklahoma. They swept right over into Arkansas and we lost thousands of acres of wheat. We do not know what the damage was.

I did get an estimate that the claims from Oklahoma farmers would probably range around \$5 million to \$10 million. That is just a guess.

But if you include the other 49 States, ASCS says the disasters in that short period of time could well be between \$200 and \$300 million.

So here is where we are. If you were to put another \$200 million in claims against the present \$400-million-plus pot of money, you reduce dramatically the amount of money people in that category are going to get.

Right now, they stand to get 60 cents to 70 cents for every dollar lost. If you put another \$200 or \$300 million in there, that reduces the amount they are going to get.

So if you were to ask the farmers of Arkansas and Oklahoma: Would you rather be thrown into the pot now, knowing that you probably would not get over 30 to 40 cents for each dollar loss you sustained, or would you rather wait for an additional pot and hope to get 60 to 70 cents out of the next pot of disaster money, I think every farmer would say, "I am willing to wait to get the additional money."

I am not making a guarantee or making a representation that they are going to get a lot more money by waiting, but I think their chances are much better that way.

So I want to assure the Senators from Oklahoma that I have a dog in this fight, too. My own wheat farmers are going to be looking to me for some help.

I will do everything I can between now and—I do not think we can do it probably in conference, though I am willing to try that.

If we found the losses were, say, \$30 million nationwide, instead of \$300 million, I would insist we go ahead and put them in now. But if it is \$200 to \$300 million, we would not have any choice, in my opinion, but to wait for the 1994 appropriations.

But I promise both Senators that I will do everything I can to provide relief to your farmers.

Mr. BOREN addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BOREN. Madam President, I thank my colleague from Arkansas. We have worked together on many, many issues. I know of his sensitivity to the needs of the farmers, those that have been struck by disasters. As he said, he has experienced the same kind of situation in his home State. We are close neighbors.

I want to express my appreciation to him for his willingness to monitor this situation.

I agree with him completely. If this turns out to be a relatively small amount of money nationwide, then it is appropriate to make the change of date. If it turns out to be a larger amount so all of the farmers are given a very small pro rata share, then it would not be advantageous to do it, but it would be appropriate to work with the Senator from Arkansas on the regular bill when the regular appropriations time comes.

We also need to work with the Agriculture Committee to clarify the definite figures and make sure the funding goes to those with the greatest needs.

I thank the Senator from Arkansas. I appreciate his sensitivities to this problem. I also thank my colleague from Oklahoma.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. I wish to thank my friend and colleague from Arkansas, as well, and tell him we will try to stay in touch with the Department of Agriculture to get real estimates, because it is my belief, as far as my State is concerned, the losses would not be that significant, certainly not in the very large figures, but we need to find out. And, hopefully, we can get that information as soon as possible.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

SUMMER JOBS

Mr. GORTON. Madam President, the supplemental appropriations bill, which was just passed by this Senate, spends an extra \$200 million to create 141,000 youth jobs for an average of 8½ weeks during this summer. That costs

about \$1,417 per job, with an average wage of \$1,168. All of these jobs, of course, are in the public sector. None are in the private sector.

This Senator voted for that bill and for the inclusion of this summer job program within it because of the urgent necessity to provide these opportunities for our youth. Recently, however, this Senator introduced the Youth Job Opportunities Through Business Act. It would place young people in private-sector jobs by linking the Joint Training and Partnership Act with the targeted jobs tax credit. If we had authorized this program, the same \$200 million would employ an extra 279,000 youths this summer, twice as many as the current program, and all in the private sector.

Madam President, I think the dichotomy, the distinction between these two ways of using the same number of dollars toward the same purpose, is dramatically illustrative of the fact that a partnership with the private sector can carry the same number of dollars much further, affect far more young people, and provide them with a more valid work experience for the kind of experience they will almost certainly be seeking in the private sector later.

I commend that program in this bill to my colleagues for authorization before we go through this process next year, in order that we can do a better job in providing opportunities for our young people.

To reiterate, this bill spends an extra \$200 million to create, employ 141,000 youth for an average of 8.5 weeks in the summer. It costs \$1,417 per job. The average wage is \$1,168.

Further, they are entirely in the public sector. Not one will be in a private business.

Recently, I introduced the Youth Job Opportunities Through Business Act. It would place young people into private sector jobs by linking the JTPA with the TJTC.

Using that same \$200 million figure, the Youth JOB's Act would employ an extra 279,251 youth this summer, twice as many as the current program.

Overall, we will spend \$879 million on summer jobs. That will create 620,000 summer jobs. The Youth JOB's Act would employ 1.2 million youth.

Some State numbers are:

State	Fiscal years		YJA jobs	New jobs
	1993 funding	1993 jobs		
Washington	14,598,535	10,302	20,383	10,081
Arkansas	9,599,984	6,775	13,404	6,629
California	111,839,128	78,927	156,156	77,229
New Jersey	23,171,174	16,352	32,353	16,001
New York	63,548,411	44,847	88,730	43,883
Idaho	2,910,505	2,054	4,064	2,010
Illinois	42,600,795	30,064	59,482	29,418
Texas	60,979,369	43,034	85,143	42,109

Some city numbers are:

City	Youths applied	Jobs available	"GAP"	Youth JOB's Act	New jobs created
Seattle	2,000	1,300	700	2,600	1,300
Boston	1,200	979	221	1,958	979
Dallas	4,010	3,000	1,010	6,000	3,000
Los Angeles	19,000	11,000	8,000	22,000	11,000
New York City	41,000	20,975	20,025	41,950	20,975
Omaha	1,569	700	869	1,400	700
Washington, DC	19,000	3,000	16,000	6,000	3,000

When determining the value of these jobs, we need to ask two questions:

(1) What kind of goods and services are produced?

This question is easily answered when the job is in the private sector. The job produces the goods and services which are in demand by consumers. The private sector jobs pay for themselves, or in this case partially pay for themselves, while in the public sector the jobs are financed with taxpayer moneys.

Focusing the money on job creation in the private sector is additionally a more effective use of money because it reduces the overhead and supervisory costs involved in public service employment. The Department of Labor's IG report contended that the best summer youth employment programs are those in which the participants are adequately supervised. In order to do this in the public sector, supervisors must be hired with part of the moneys spent on overhead and not on job creation. The private sector has supervisors already on the payroll or will use their funds to hire the necessary supervision, thus more youth may be employed.

It is more complicated with public service jobs. This question is often not even addressed. When it is, the follow-up question must be asked whether the services are the most efficient and effective use of Federal dollars?

(2) What does the job produce for the person doing the job?

In May 1992, a study conducted for the Department of Labor on the impacts on future earnings and employment of participants who had gone through JTPA youth job training, reported:

Overall the JTPA appears to have [had] * * * little or no effect on the earning and employment of female youths, and negative effects on the earnings and employment of male youths.

One goal of the Summer Jobs Program has been stated to provide youth with the work experience and the skills in order to prepare them to enter into the work force. If the goal of the program is to teach these youth how to work in the private sector, why not train them in the private sector?

The point has been supported by statements made by Paul Osterman, a professor at MIT's Sloan School of Management, who has extensively studied summer youth training programs—

Skill training is something the private sector is better equipped to do.

The key issue is the quality of the placement. You must ensure that the job is not

make work. You must ensure that there is good supervision. You must ensure that the participant is installed with good work habits: dress, punctuality, etc. You must ensure that the job is taken seriously.

You must have the job be genuinely worthwhile. It must be a real job.

Concerns have been raised about the quality of public service job creation programs. These concerns can be assuaged by placing the youth in a private sector job. If the youth does not perform or live up to his/her part of the bargain, private employer will be less hesitant to reprimand the youth than would a government bureaucrat who has nothing at stake in the productivity of the youth. Thus, giving the youth an important lesson about developing a positive work ethic and discipline.

Another stated goal is to eventually develop a system where youth could receive the benefit of employment and job training skills year round.

These make work activities are not only depriving our youth of needed skills, but they are repelling other youth from even looking toward the current program. The National Academy of Sciences issued a report on job training programs which found:

Over time some young people who participate in youth employment programs become frustrated and demoralized by their experiences. * * * because of the inability to make visible 'progress,' [they] become disgusted with the program and its staff. Progress for them is to feel equipped with marketable skills that will give them a chance to compete effectively for a permanent, well-paying job. Lacking clear signs of progress, many become frustrated and resign from the program * * *.

Again this is better handled by the private sector than by government bureaucrats. Jobs in the private sector provide a better opportunity for permanent or long-term employment than do make-work or artificially created jobs in government. Public sector employment is created for the express purpose of fulfilling the requirements of the Summer Youth Employment Training Program. While private sector businesses have openings year-round and expand with the market and not through artificial subsidies or at greater expense to the taxpayer.

Once a worker develops a positive relationship with an employer, in either a summer or part-time job, that worker is more likely to be hired in the future by that employer than an employee who did not work for that employer.

The goal of the Summer Jobs Program should be to help employers and

youth take the first step to developing a working relationship. That first step is a job for the youth with a private sector employer.

The Youth JOBS Act will help communities and businesses as well. This program is customized in that it can be suited to match the needs of the local businesses. The youth will contribute to the growth and productivity of their community's businesses and industries.

President Clinton stated that summer youth jobs will "help to build local communities, to strengthen local economies, to solve local problems."

However, we can bolster local communities and local economies even more by taking them out of make-work Government programs and placing the youth into private businesses where they will be actively contributing to America's productivity and economic growth.

Madam President, I ask unanimous consent that the tables listing summer jobs in the States and in 40 major cities be printed in the RECORD.

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

NUMBER OF SUMMER JOBS AND FUNDING IN THE STATES

State	FY93 funding ¹	FY93 jobs ²	YJA jobs ³	New jobs ⁴
Alabama	\$15,893,934	11,217	22,192	10,975
Alaska	2,260,217	1,595	3,156	1,561
Arizona	12,150,638	8,575	16,365	8,390
Arkansas	9,599,984	6,775	13,404	6,629
California	111,839,128	78,927	156,156	77,229
Colorado	9,639,571	6,803	13,459	6,656
Connecticut	9,251,780	6,529	12,918	6,389
Delaware	1,254,887	1,521	3,009	1,488
District of Columbia	3,982,080	2,810	5,560	2,750
Florida	46,346,376	32,707	64,711	32,004
Georgia	17,547,430	12,384	24,501	12,117
Hawaii	2,154,887	1,521	3,009	1,488
Idaho	2,910,505	2,054	4,064	2,010
Illinois	42,600,795	30,064	59,482	29,418
Indiana	14,295,892	10,089	19,951	9,872
Iowa	5,229,641	3,691	7,302	3,611
Kansas	3,418,699	2,413	4,773	2,360
Kentucky	13,787,506	9,730	19,251	9,521
Louisiana	24,122,596	17,024	33,681	16,657
Maine	4,306,514	3,039	6,013	2,974
Maryland	12,621,495	8,907	17,623	8,716
Massachusetts	23,761,986	16,769	33,178	16,409
Michigan	39,566,344	27,923	55,245	27,322
Minnesota	9,782,722	6,904	13,659	6,755
Mississippi	12,871,064	9,083	17,971	8,888
Missouri	15,142,803	10,687	21,143	10,456
Montana	3,043,848	2,148	4,250	2,102
Nebraska	2,154,887	1,521	3,009	1,488
Nevada	3,012,136	2,126	4,206	2,080
New Hampshire	3,533,348	2,494	4,933	2,439
New Jersey	23,171,174	16,352	32,353	16,001
New Mexico	5,562,153	3,925	7,766	3,841
New York	63,548,411	44,847	88,730	43,883
North Carolina	17,051,561	12,034	23,808	11,774
North Dakota	2,154,887	1,521	3,009	1,488
Ohio	32,086,695	22,644	44,801	22,157
Oklahoma	9,687,348	6,837	13,526	6,689
Oregon	9,010,539	6,359	12,581	6,222
Pennsylvania	37,507,563	26,540	52,510	25,970
Puerto Rico	31,446,677	22,192	43,908	21,716
Rhode Island	3,827,585	2,701	5,344	2,643
South Carolina	10,452,741	7,377	14,595	7,218
South Dakota	2,154,887	1,521	3,009	1,488
Tennessee	15,469,201	10,917	21,599	10,682
Texas	60,979,369	43,034	85,143	42,109
Utah	2,966,884	2,094	4,143	2,049
Vermont	2,154,887	1,521	3,009	1,488

NUMBER OF SUMMER JOBS AND FUNDING IN THE STATES—Continued

State	FY93 funding ¹	FY93 jobs ²	YJA jobs ³	New jobs ⁴
Virginia	16,511,957	11,653	23,055	11,402
Washington	14,598,535	10,302	20,383	10,081
West Virginia	9,674,208	6,827	13,508	6,681
Wisconsin	10,698,895	7,550	14,938	7,388
Wyoming	2,154,887	1,521	3,009	1,488
Total ⁵	861,955,037	608,299	1,203,511	595,212

¹ Based on Department of Labor formula estimates for the SYET. Funding represents fiscal year 1993 (FY 93) funding plus an estimated \$200 million supplemental.

² FY 93 funding divided by DoL estimated cost-per-job (\$1,417). The per job cost estimates of the Senate/House committee is \$1,286. All fractions have been rounded to the nearest whole number.

³ This is the estimated number of jobs that could be created under the Youth Jobs Act (YJA) programs using the same amount of funding. According to the DoL, the average wage is \$1,168. Using this figure, the administrative costs are \$249.00 per job. The use of the Targeted Jobs Tax credit makes the per job wage costs 40% of the current program wage costs (\$467.20 per YJA job). This column's figures assumes the same per job administrative costs for a total per job cost of \$716.20.

⁴ The number of YJA jobs minus FY 93 jobs.

⁵ Totals are tabulated down each column and are not figured across the column as was done with each state.

NUMBER OF SUMMER JOBS IN 40 MAJOR CITIES

City	Youths applied ^{1,2}	Jobs available ^{1,3}	GAP ^{1,4}	Youth Jobs Act ⁵	New jobs created ⁶
Albuquerque	1,880	694	1,186	1,388	694
Baltimore	9,460	3,060	6,400	6,120	3,060
Boston	1,200	979	221	1,958	979
Bridgeport	2,625	1,157	1,468	2,314	1,157
Buffalo	2,400	1,350	1,050	2,700	1,350
Charlotte	1,011	650	361	1,300	650
Chicago	14,037	10,146	3,891	20,292	10,146
Cincinnati	1,800	1,000	800	2,000	1,000
Columbus	2,352	1,139	1,213	2,278	1,139
Dallas	4,010	3,000	1,010	6,000	3,000
Denver	1,600	1,211	389	2,422	1,211
Detroit	6,033	4,414	1,619	8,828	4,414
Ft. Worth	2,500	1,705	795	3,410	1,705
Houston	12,000	4,200	7,800	8,400	4,200
Indianapolis	2,500	700	1,800	1,400	700
Jackson	1,000	550	450	1,100	550
Jacksonville	2,609	1,700	909	3,400	1,700
Long Beach	1,500	750	750	1,500	750
Los Angeles	19,000	11,000	8,000	22,000	11,000
Louisville	2,500	1,573	927	3,146	1,573
Memphis	3,757	1,300	2,457	2,600	1,300
Milwaukee	1,952	1,703	249	3,406	1,703
Mobile	3,000	1,076	1,924	2,152	1,076
Nashville	2,000	835	1,165	1,670	835
New York City	41,000	20,975	20,025	41,950	20,975
Norfolk	2,247	1,725	552	3,450	1,725
Omaha	1,569	700	869	1,400	700
Philadelphia	9,041	5,200	3,841	10,400	5,200
Phoenix	7,810	1,400	6,410	2,800	1,400
Portland	1,100	875	225	1,750	875
San Jose	2,500	1,450	1,050	2,900	1,450
San Antonio	4,175	2,764	1,411	5,528	2,764
San Diego	5,000	3,500	1,500	7,000	3,500
San Francisco	2,532	1,830	702	3,660	1,830
Seattle	2,000	1,300	700	2,600	1,300
St. Louis	4,900	1,228	3,672	2,456	1,228
Tampa	2,421	1,116	1,305	2,232	1,116
Toledo	2,500	800	1,700	1,600	800
Washington	19,000	3,000	16,000	6,000	3,000
Wichita	846	312	534	624	312
Total ⁷	211,367	104,067	107,300	208,134	104,067

¹ Based on Department of Labor figures.

² Those individuals found fully eligible for the SYET program by the local operators.

³ The number of jobs local programs can create under the existing SYET program and with their base allocation and carryover funds from the FY 1992 program.

⁴ The number of fully eligible and registered youth that cannot be served with the base and carryover funds.

⁵ This is the estimated number of jobs that could be created under the Youth Jobs Act (YJA) programs using the same amount of funding. According to the DoL, the average per job cost is \$1,417 and the average wage is \$1,168. Using this figure, the administrative costs are \$249.00 per job. The use of the Targeted Jobs Tax credit makes the per job wage costs 40% of the current program wage costs (\$467.20 per YJA job). This column's figures assumes the same per job administrative costs for a total per job cost of \$716.20. That is roughly 1/2 of the cost of the current program.

⁶ The number of new jobs is the difference between the number of Youth Jobs Act program jobs and the number of "jobs available" under the current program.

⁷ Totals are figured down each column.

The PRESIDING OFFICER. The Senator from Indiana.

HOMOSEXUALS IN THE MILITARY

Mr. COATS. Madam President, there have been a number of press reports

today—I am sure there will be more tomorrow and in subsequent days, as well as memoranda and other reports—indicating that the Pentagon is about to forward to the President a policy relative to the issue of homosexuals in the military. One of the major metropolitan papers reported it as a front-page story this morning. It was denied by a spokesman from the Pentagon, yet other reports are floating around.

It is clear that we are moving toward the time when the policy will be announced and forwarded to the President. A number of trial balloons have been issued. Members will be reacting to those. I thought it would be helpful to put into the RECORD some summary of the committee hearings on the subject. We have held extensive hearings and, as Members evaluate these proposed policies or these trial balloons or whatever they are, they might want to have a base record with which to understand what the conclusions were of some of our hearings.

I need to point out these are my conclusions. I am not speaking for the committee. I am not speaking for any member of the committee. These are conclusions I have drawn from the six hearings that we have conducted. However, I attempt to quote as much as possible from witnesses who testified before the committee, and I think those direct quotes will speak for themselves.

Following the Civil War, it was Walt Whitman who wrote "The real war never gets in the books." Over the last several months, the Senate Armed Services Committee has taken great pains to explore the nature of real war and the realities of military life. We had posed a question, forced by political events. The question is, Is homosexuality compatible or incompatible with military service? We have talked with the experts. We have talked with the soldiers, both here and in the field. We have talked with the advocates of each side of this policy. And we have placed our findings in the record, for all to see. It is a part of the Armed Services Committee report, and now I would like to place part of that, through these quotes, in the Senate RECORD.

The demands that we place on the American military are utterly unique. Its goal is to motivate ordinary men and women to fight and die under extraordinary circumstances. The manner in which these troops are organized and motivated is the single most important element in their performance, the single most important element of our national security. Analogies from civilian life fail. In some ways, the job of a commander is similar to an executive, since the commander spends much of his time in personnel management. But it is also very different because, if the military manager's policy fails, his subordinates may die. This is manage-

ment with a deadly twist. The stakes are not measured on bottom lines, but in body bags.

Military personnel policies on homosexuality have developed in a long a history, history that has taught the lessons of war and peace, readiness and failure. The ban did not begin in the 1980's. It was codified after decades of experience. That experience led to a conclusion: Homosexuality is incompatible with military life, for practical reasons and for experiential reasons. Our Armed Forces have concluded that the presence of homosexuals undermines their ability to: First, maintain discipline, good order, and morale; second, our Armed Forces have concluded that the presence of homosexuals undermines their ability to foster mutual trust and confidence among service members.

They have concluded that this policy is necessary to ensure the integrity of the system of rank and command; that it is necessary to facilitate assignments and worldwide deployment of service members, who frequently must live and work in close conditions affording minimal privacy; it is necessary for recruitment and retention of members of the military services; and finally, it is necessary to maintain public acceptability of military service.

That is a direct statement from current military policy, at least the policy as it was before the interim policy was directed in response to the President's initiative to change that.

The courts, in turn, have consistently upheld this policy because they judged that its basis was rational, that the military had a rational basis with which to make these conclusions and, therefore, draw the policy as exclusion of homosexuals from the military.

So when the President proposed to overturn the standard, I came to the floor and made a statement and also issued a challenge. I said that the burden of proof in this matter was squarely on the President's shoulders. It ought to be the advocates of change of a system that is deemed not only effective but the most effective the world has ever seen who must overcome the lessons of history. It is those advocates of change who must positively discredit an experience that is far different and far wider than their own.

The Senate Armed Services Committee has conducted an extensive process to examine the roots of this policy. Senator NUNN designed a process that was fair and balanced. Staff interviewed thousands of military personnel on 21 bases. In six hearings, including field hearings, talking with soldiers, sailors, airmen where they live and work, thousands of pages of testimony were collected. Many Members of the Senate have not followed these matters as closely as those of the committee and, as I said, I would like to provide a

summary of what we found so it can be a basis for evaluation by Members of the Senate as they look at these proposed policies.

Let me address this in a topical way. The most important criteria was this whole question of cohesion and morale. In the Armed Services Committee, we devoted a great deal of attention to the importance of cohesion in the military. It is something that those who have not served need to understand before they can render judgment.

Dr. David Marlowe, a military psychiatric expert, gave cohesion a very clear definition. He said:

In its simplest form, cohesion could be viewed as that set of factors and processes that bonded soldiers together and bonded them to their leaders so that they would stand in the line of battle, mutually support each other, withstand the shock, terror, and trauma of combat, sustain each other in the completion of their mission and neither break nor run.

Dr. Marlowe concluded:

I think it was best put by a soldier I knew once who said the flag, patriotism, mom and apple pie are what bring you into the army. When the first bullet comes down the range, the only thing you are concerned with are your buddies.

Experts then told us that cohesion between those buddies is based on trust and shared values. They stressed over and over the importance of the shared-value system that is necessary to form the unit, the cohesion, the team that can effectively do what Dr. Marlowe has said, and that is withstand the shock, terror, and trauma of combat.

Dr. William Henderson testified before the committee:

A significant characteristic about a cohesive unit is the constant observation and evaluation of the behavior of unit members. Any deviation from unit norms, values, or expected behavior brings immediate and intense group pressures to conform to group norms. If the behavior is not corrected, then cleavage results in the group and cohesion is weakened.

One submariner with 12 years in the Navy commented: "Every sub I've ever been on has been like a close-knit family. If you feel uneasy about somebody within the family, you separate the family."

As I said, this is not something that we normally relate to in our everyday lives because we live and work in an entirely different atmosphere, an entirely different way than those in the military. Those on deployment, those living in close quarters on submarines and ships, those living in tents overseas, those in training experience a far different living relationship, working relationship than those of us in civilian life. It is important to understand the distinction, and it is important to understand the difference, and it is also important to understand the concept of unit cohesion which can only be formed through, as these experts have testified, shared values and a unique type of bonding.

We heard that in the development of cohesion, the needs of the group must be placed ahead of the rights of the individual. Most of our work on the Senate floor and most of the legislation that we evaluate have to do with individual rights, and when we talk about military units, we subrogate individual rights in favor of group rights. It is something that is foreign to a lot of our thinking and a lot of our evaluation.

The PRESIDING OFFICER. The Senator's time has expired. Would the Senator like an additional 10 minutes?

Mr. COATS. Madam President, I ask unanimous consent for an additional 15 minutes.

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

Mr. COATS. Madam President, it is important to understand the uniqueness of military life, the uniqueness of unit cohesion, and the reason why the rights of the unit need to be placed ahead of and have priority over the rights of the individual.

Dr. David Marlowe said:

The primacy of the individual ceases once one becomes part of the military service. The individual who puts himself before the group is an individual who will be excluded by the group. The issue, in terms of policy, is what are those conditions that lead to maximum strength for the group. From my point of view, whatever those conditions are, they must lead to maximum strength because that * * * gives us the fewest long-term combat psychiatric casualties and the fewest broken bodies. * * * It is the group that is responsible for the survival of the individual in combat.

Again, a situation unique from what we normally face in our civilian occupations.

We were told in the committee that homosexuality disrupts the development of cohesion. Gen. Calvin Waller commented:

These men and women want to be associated with individuals who they can trust under combat conditions; individuals they consider as a family, where teamwork has been forged and tested under the most adverse conditions, and that is simulated combat or, combat. Most surveys indicate that this type of cohesion and teamwork cannot be attained with avowed homosexuals in their midst.

It was General Schwarzkopf who commented—and General Schwarzkopf, I might note, was commander of personnel during the eighties before he advanced to his assignment as commander of our forces in the Persian Gulf, and so he had some very direct experience with personnel policies—and commenting on that he said:

In every case—

Not most cases—

in every case where homosexuality became known in the unit, it resulted in a breakdown in morale, cohesion, effectiveness—

With resulting dissent, resentment, and even violence.

I specifically asked Dr. Marlowe what sexual attraction, either between the

soldiers in a small unit or soldiers and their leader, would do to unit cohesion. He replied:

It destroys it * * * because of the implications which can never be kept out, of favoritism, of differential behavior and differential reward.

We then turned to the question of sexual tension within the unit and why or why not that might cause unit breakdown. We discovered that sexual tension is a particularly powerful force under cohesion. Witnesses testified this is the reason why we separate men and women in the military, but some also argue there is no practical way to avoid sexual tension if we allow homosexuals in the military.

Dr. Charles Moskos, an expert sociologist on military affairs, commented:

We do not mix men and women because we just know that it does violate modesty and privacy grounds. It is foolish to think that gays will not be attracted to men sometime.

Retired Gen. Bernard Trainor has written:

Romantic interests, even if unconsummated, would shatter the bonds that prompt men to risk all and die willingly for each other * * * with tragic consequences for people and missions.

One of the critical points in this whole debate has been the question of sexual attraction and whether or not the presence of that tension within the unit causes that unit to be undermined, causes a breakdown in morale, a breakdown in discipline.

I think common sense tells us that the presence of that in the close living quarters, the 24-hour-a-day work together/live together process that exists within the military, the answer to that is "Yes."

It is for that reason, even though we allow women to serve in the military, that we separate their living quarters. There is a rational basis for that. Does the presence of men and women in the unit and the resulting potential sexual attraction potentially affect the effectiveness of that unit? I think the answer is "Yes." However, it is manageable. It is manageable because after the workday is concluded, although in many instances the workday is never concluded, the living quarters are separate.

But obviously we cannot accomplish that by allowing those of the same sex into the military. The only way that was once suggested was simply to create an all-gay barracks and an all-lesbian barracks and then we would have an all-heterosexual women's barracks and an all-heterosexual men's barracks.

First of all, the military cannot afford to build four separate facilities. But second, I think we understand that placing people who, by definition, are sexually attracted to each other in the same barracks—in other words, an all-gay barracks, an all-gay ship or an all-gay motor unit or whatever—would

only exacerbate the problem, not solve the problem. And so it is an unsolvable problem in terms of a management situation and a separation situation.

We have learned that the courts, in our hearings and rulings over the last 20 years, have rejected challenges to the policy based on privacy, free speech, free association, and special privileges under the equal-protection clause. All these cases have been brought under these claims. Witnesses told us that the courts have ruled that in the military individual rights must take a back seat to the military mission.

Dr. David Schlueter, law professor at St. Mary's University testified:

Courts have recognized time and time again that those liberties may not always apply the same extent as in a civilian setting. The reason for the ability of Government to restrict those liberties is linked with the primary purpose of the military establishment to protect national security. Put bluntly, where the military's need for morale is threatened, a service member's constitutional rights may be restricted lawfully by commanders.

The courts have a long history of upholding that policy. And so rights that we take for granted or that we feel are absolutely necessary to the individual outside of the military, we find that they are tempered by military necessity, and the courts have upheld that.

Professor Stephen Saltzburg of George Washington University Law School commented:

The Supreme Court cases * * * established that, even as to fundamental rights like religion and free speech, the Supreme Court has deferred to the military as to the need to control certain types of behavior. The cases establish that even fundamental rights may give way to military necessity, and that judicial review of military rules when compared to judicial review of civilian rules is like night versus day.

Under the topic of leadership, we discovered that lifting the ban would put intolerable burdens on military leadership. General Waller testified:

The commanders already have enough to keep them busy 12 to 14 hours a day; they are in the midst of one of the most difficult things that we have ever had to put upon them, that is to downsize this military to bring it to where it needs to be. Yet we want to throw one more thing on their plate. Why in the name of God are we willing to tell those great young captains and lieutenants, or whoever is in command of those units, that this is your problem. You have to deal with it.

A Navy captain, Navy Captain Holder, who commands one of our ships, noted:

I would say to you as a leader spending 18 hours a day routinely underway on my ship, awake, worrying about what it does to keep it combat ready, do I have time on my plate for another educational process? Who is going to educate me so that I can educate properly?

In the area of privacy, we found that soldiers jealously guard what limited privacy they have and resent it when that privacy is violated.

On our visit to Norfolk, we saw a submarine with 63 men who had 2 showers to share among 63; 3 lavatories and 4 sinks. Actually seeking and experiencing that closeness means more than any position paper or any speech can possibly describe.

Maj. Kathleen Bergeron of the Marine Corps commented:

Marines not only work together, they also live, socialize and recreate together. Marines get to know every aspect of each other's lives—very little remains private. There is often not a beginning or an end to the workday of a Marine who is deployed aboard ship, performing exercises in the field, fighting in combat, or living in the barracks.

At the Norfolk hearings we heard a woman petty officer of 11 years say:

You are asking me to sleep and shower with homosexuals. You are asking me to expose my sexuality, about the only bit of privacy I have in the military. * * * Asking me to live with homosexuals is the same as asking me to live with men.

At Norfolk we also listened to a Marine captain who said:

We sacrificed our rights of privacy when we came into the Marine Corps. We trust you civilians to protect us with policies that won't undermine our mission.

If each Member of the Senate could have traveled into the depths of an aircraft carrier, submarine tender, destroyer, cruiser, could go into the working areas and living areas of a submarine, you would understand how incredibly intimate, how incredibly confined those quarters are, how privacy is virtually unknown. And yet as Captain Bergeron said, our sexual privacy is about all that we have left.

Most submarines do not have enough bunks, enough bunk space for each sailor and so they "hot bunk." That is, three men usually share the same bunk on a rotating 8-hour-a-day basis.

On one submarine we were on, some of the torpedoes were removed, thanks to the demise of the cold war, and some of that space was used for sleeping area. That space underneath the submarine racks was about 18 inches high and only about 18 inches wide, as wide as a bunk. There were six of them laid together. Sailors had to crawl over each other to enter their bunk and to leave their bunk. They were then required to share a shower, 63 to share 2 showers.

Sexual privacy is virtually nonexistent. If you are living in that situation and working in that situation, and you are confident that you are not the object of someone's sexual desire, it is not a problem. If you conclude or think that you might be, it is a very severe problem.

We saw this point reinforced again and again, that military life is not a 9-to-5 job. For many there is no such thing as off duty or off base. Master Chief Borne testified before our committee:

Life aboard ship is not an 8-hour a day job. It is 24 hours a day, 7 days a week, for as

long as 6 months at a time. And that is if you are lucky. Some of us have done more. We sleep in extremely close quarters together. We use the same head, or bathroom facilities, and you have nowhere you can go to just get away from your coworkers.

Major Bergeron again has said:

Cohesion is built in off-duty as well as on-the-job. Military communities are unlike any other. We live, socialize and recreate together. We are an extended family.

I think I have already read the quote so I will not duplicate it.

There were moral concerns raised by many who testified before the committee. We found that many servicemen are morally offended by sharing intimate living situations with homosexuals. Brig. Gen. James Hutchens, chaplain for 37 years in the Army and Reserves said:

For the vast majority of soldiers, there is a sense of moral ascendancy that has been shaped by the values instilled in their religious upbringing. Their understanding of what is right and wrong is ultimately based on religion. Requiring those whose religious and moral teaching unequivocally opposes homosexuality to serve with practicing homosexuals, is to be cynically insensitive and results in a concentrated attempt to squash and suppress the religious values of that morality.

That was testimony that General Hutchens gave before the House Armed Services Committee.

Retired Gen. Norm Schwarzkopf has said:

Homosexuality is against many religions, the act of sodomy, against the principles of many religions. * * * I think that culturally there are many people in the country who are very much against homosexuals, and if the Army openly allowed homosexuals in their ranks, that would damage our public interests.

One witness in Norfolk, told us:

If my three children choose to serve, I want tradition, values and ethical standards at least as high as today.

That takes us to the question of recruiting and retention. We discovered that lifting the ban will have a negative effect on our ability to recruit and retain the best young men and women in our military. In one hearing all four personnel chiefs from the four branches said that the admission of homosexuals would have a significant negative influence on recruiting and retention.

Colonel Richard of the Marine Corps testified at a SASC personnel subcommittee:

As commanding officer of a recruit training regiment, [lifting the ban] hits at the very essence of what we do in recruit training. I can assure you [the effect] will not be minimal.

Colonel Richard reported that 8 out of 10 parents are deeply concerned about proposed changes in military policy on homosexuality.

General Schwarzkopf has commented:

You enlist the soldier, you reenlist the family. Lifting the ban would have a devastating effect on the military.

Gen. Colin Powell told midshipmen at the Naval Academy:

If it strikes at the heart of your moral beliefs, then you have to resign.

One letter I received was typical of hundreds:

My husband comes from a family of six siblings; of that six, five were marines. Four of the five married marines. * * * We would say that if this ban were to be lifted, we would advise our son, son-in-law, and many other young people not to join the military.

Regardless of where you come down on the issue of the homosexual lifestyle, I think it is a fact, and our hearings demonstrated it is a fact, and the recruiting chiefs testified it was a fact, that many of our military is made up of people who hold very traditional moral and religious values.

The recruitment comes primarily from areas of the country where those traditions are held in very high esteem. Recruiters have told us that a change in policy would have a serious undermining effect on their ability to recruit because family support in many instances is based on the belief that the military will uphold and honor those moral beliefs, and those religious beliefs, those moral traditions, those valued traditions, that that is a basis on which they concluded and encourage their siblings to enter the military. And absent that, they would be very reluctant to encourage their young people to join the military.

The same was true of the retention policy. Those that we continually asked—Senator NUNN continually asked the question, as did I, when we met with groups in Norfolk in the various ships and so forth. We would assemble groups of 50, 100, 200 together. We would ask the question: How many would seriously consider not reenlisting or leaving the military if this policy was changed and the ban was lifted? A conservative estimate is that two-thirds to three-quarters raised their hands saying they would seriously reconsider. They did not say they would leave for sure, but seriously reconsider staying in the military if the policy was changed.

ANSWERING OBJECTIVES

Many of the arguments against current military policy have been examined and discredited in this long process.

Let me conclude by listing some of the arguments that have been raised in favor of lifting the ban.

RACE

It is said by critics of the DOD policy that the exclusion of homosexuals is similar to racial segregation in the military prior to 1948.

But the homosexual exclusion is not a civil rights issue. Equating the homosexual policy to racial discrimination trivializes racial minority groups' struggles for civil rights and ignores the fundamental differences between racial discrimination and the homosexual policy.

Witnesses told us that there is a difference between sexual preference and skin color.

Fleet Master Chief Carter commented:

Take it as an insult whenever race and homosexuality are hooked together. You change the way you treated minorities, and blacks especially, because it was the moral and correct thing to do. That is why it happened, for no other reason—my dues have been paid, I am 50 years old. I demonstrated, I drank hot water, I sat on the back of the bus, I paid my dues. And I do not want [homosexuals] riding on the back of minorities. I take insult to that.

Stephen Saltzburg of the George Washington University Law School testified:

There is a difference; and that is that sexual orientation does go to the core of one's being. It does influence most of us in kinds of actions that we want to take and activities that we want to engage in. And I think anyone who would deny that is denying what psychologist and psychiatrists and sociologists tell us about human motivation.

Gen. Colin Powell probably said it best in responding to Representative PAT SCHROEDER's letter chiding him for supporting the DOD policy in testimony before Congress:

I am well aware of the attempts to draw parallels between this position and positions used years ago to deny opportunities to African-Americans. I know you are a history major, but I can assure you I need no reminders concerning the history of African-Americans in the defense of their Nation and the tribulations they faced. I am a part of that history. * * * Skin color is a benign, non-behavioral characteristic. Sexual orientation is perhaps the most profound of human behavioral characteristics. Comparison of the two is a convenient but invalid argument. I believe the privacy rights of all Americans in uniform have to be considered, especially since those rights are often infringed upon by the conditions of military service.

STATUS VERSUS CONDUCT

It is said, including by President Clinton, that Americans should not be precluded from serving their country based solely upon their status as homosexuals.

But we found that status is a reasonable basis to make some personnel decisions.

When I asked Dr. Moskos about status versus conduct, he had this to say:

This sort of status versus conduct distinction that is frequently made I think is a misleading one. We do separate men and women in the military in intimate living conditions on the basis of status, not on the basis of behavior or conduct.

William Woodruff of Campbell University Law School has written:

The policy does not exclude people because they are tempted to engage in homosexual acts anymore than it precludes service by those who may be tempted to steal from their barracks-mates' open locker. * * * When the servicemember openly proclaims his or her desires, however, the situation is different. * * * The open proclamation of a desire to engage in homosexual conduct creates suspicion and mistrust among those

who have to live in close quarters with the individual.

INDIVIDUAL RIGHTS VERSUS MILITARY MISSION
It is said that every individual should be allowed the right to serve his Nation in the military.

But we found that this supposed right comes into conflict with military needs. And in this conflict, we must prefer the quality of our military.

Dr. Moskos commented:

So violations of privacy on the part of straights, the civil rights on the part of gays are really two rights in collision. And ultimately it has to be determined by what is best for military effectiveness.

Bernard Trainor, a retired marine lieutenant general, noted:

The central issue is not civil rights, as gay activists maintain, but whether an openly gay society will degrade the military's ability to fulfill its mission of fighting and winning wars.

The military denies many groups of people from entering service. It is not a reflection on the ability of any one person to make a good soldier but rather to promote the overriding goal of our military to fight and win our Nation's wars.

Captain Fulham of the Marine Corps commented:

The most significant difference between the American society and the American military is that the American society we support the right to the individual first and foremost. In the military, those rights all become subordinate to the common good, and the necessity of mission accomplishment.

FOREIGN MILITARY POLICIES

It is said that the U.S. military should include homosexuals because other nations do so.

But at one hearing we explored in detail some of these nation's policies. We learned there is a gap between what our militaries say and what they do.

Dr. Charles Moskos, a renowned military sociologist, categorized these nations in two groups.

He did two extensive studies. They either discriminate against homosexuals as a matter of law, he said, or they discriminate against homosexuals as a matter of unwritten policy.

Gen. Norman Schwarzkopf characterized these nations as practicing "a blatant form of hypocrisy."

We also found that these comparisons themselves are flawed, because the role and mission of America's military is different than any in the world.

Dr. Moskos testified:

Inasmuch as the United States has the most formidable military force in the world, it could also be argued that such countries may draw lessons from the United States, as well as the United States from them.

General Waller said:

When we allow comparisons of the small countries and what their policies are regarding known homosexuals service to their country, we do a grave disservice to our fellow American citizens.

Master Chief Borne testified:

If you attempt to mold your military force behind a second-rate military operation, then you will get a second-rate military operation. You have the best military in the world today, and you want to be like somebody who cannot do one-third of the things we can do.

Madam President, in conclusion, in a long process, we have had thousands of pages of testimony and we have heard from hundreds of witnesses. The staff has talked to thousands of troops, visited 21 bases, and we have talked to those in the field in our field hearings. We have built what I believe to be a sure foundation to uphold the policy that bans homosexuals in the military. We have seen the unique requirements of a very unique life.

Cohesion is the single most important factor in military success. Open homosexuality destroys it. In units with such problems, a breakdown in morale and effectiveness is sure to follow. A commander is faced with practical problems of dissent and resentment that can undermine everything he has carefully built.

The question is not if men and women in the military will obey orders. They will always obey because their honor is not in question. The question is this: Will they have that edge of readiness that can mean the difference between victory and defeat, and I think it is fair to say between life and death for many? This quality requires a belief on the part of soldiers that their Commander in Chief understands their life and their needs. Armed with that knowledge, they perform prodigies of courage and endurance. Without it, effectiveness is dissolved in resentment.

We hear a lot of rumors about compromise on this policy—rumors that test the political wind. But a political compromise should not be our object. There is no political cover on a battlefield. What we require is a conclusion on the substance of this debate, and I believe that conclusion, from our hearings, is clear: Homosexuality is inconsistent with military life.

I have talked about the burden of proof, and now we have heard the evidence. We have a right to make our own judgment, and I have made mine. Against the President and his supporters we must conclude this: Their case was not made. This standard was not reached. And a policy that is currently in place, and was in place before the President sought to change it, is the policy that ought to remain.

The PRESIDING OFFICER. The time of the Senator has expired.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

MESSAGES FROM THE PRESIDENT RECEIVED DURING RECESS

Under the authority of the order of the Senate of January 5, 1993, the Secretary of the Senate on June 18, 1993, received a message from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

The nominations received on June 18, 1993, are shown in today's RECORD at the end of the Senate proceedings.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Zaroff, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT OF THE NATIONAL ENDOWMENT FOR THE HUMANITIES FOR FISCAL YEAR 1992—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE ADJOURNMENT OF THE SENATE—PM 28

Under the authority of the order of the Senate of January 5, 1993, the Secretary of the Senate on June 18, 1993, received a message from the President of the United States, together with an accompanying report, which was referred to the Committee on Labor and Human Resources.

To the Congress of the United States:

In accordance with the provisions of the National Foundation on the Arts and Humanities Act of 1965, as amended (20 U.S.C. 959(d)), I transmit herewith the 27th Annual Report of the National Endowment for the Humanities (NEH) for fiscal year 1992. This report was prepared by, and covers activities occurring exclusively during, the previous Administration. It does not necessarily reflect the policies or priorities of my Administration. The Annual Report for 1993, which I will submit next April, will reflect the goals and vision of my Administration for the NEH.

WILLIAM J. CLINTON.

THE WHITE HOUSE, June 18, 1993.

MESSAGE FROM THE HOUSE

At 7:03 p.m., a message from the House of Representatives, delivered by

Mr. Hanrahan, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 765. An act to resolve the status of certain land relinquished to the United States under the Act of June 4, 1987 (30 Stat. 11, 36), and for other purposes.

H.R. 1134. An act to provide for the transfer of certain public lands located in Clear Creek County, CO, to the U.S. Forest Service, the State of Colorado, and certain local governments in the State of Colorado, and for other purposes.

H.R. 1183. An act to validate conveyances of certain lands in the State of California that form part of the right-of-way granted by the United States to the Central Pacific Railway Co.

H.R. 1347. An act to modify the boundary of Hot Springs National Park.

H.R. 1944. An act to provide for additional development at War in the Pacific National Historical Park, and for other purposes.

H.R. 2203. An act to amend the Public Health Service Act to extend the program of grants regarding the prevention and control of sexually transmitted diseases.

H.R. 2243. An act to amend the Federal Trade Commission Act to extend the authorization of appropriations in such act, and for other purposes.

H.R. 2295. An act making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1994, and making supplemental appropriations for such programs for the fiscal year ending September 30, 1993, for other purposes.

The message also announced that the House has passed the following bill without amendment:

S. 80. An act to increase the size of the Big Thicket National Preserve in the State of Texas by adding the Village Creek Corridor Unit, the Big Sandy Corridor Unit, and the Canyonlands Unit.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 765. An act to resolve the status of certain land relinquished to the United States under the act of June 4, 1987 (30 Stat. 11, 36), and for other purposes; to the Committee on Agriculture, Nutrition and Forestry.

H.R. 1134. An act to provide for the transfer of certain public lands located in Clear Creek County, CO, to the U.S. Forest Service, the State of Colorado, and certain local governments in the State of Colorado, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 1183. An act to validate conveyances of certain lands in the State of California that form part of the right-of-way granted by the United States to the Central Pacific Railway Co.; to the Committee on Energy and Natural Resources.

H.R. 1347. An act to modify the boundary of Hot Springs National Park; to the Committee on Energy and Natural Resources.

H.R. 1944. An act to provide for additional development at War in the Pacific National Historical Park, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 2203. An act to amend the Public Health Service Act to extend the program of

grants regarding the prevention and control of sexually transmitted diseases; to the Committee on Labor and Human Resources.

H.R. 2243. An act to amend the Federal Trade Commission Act to extend the authorization of appropriations in such act, and for other purposes; to the Committee on Commerce, Science and Transportation.

H.R. 2295. An act making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1994, and making supplemental appropriations for such programs for the fiscal year ending September 30, 1993, for other purposes; to the Committee on Appropriations.

MEASURE PLACED ON THE CALENDAR

The following measure was read the second time and placed on the calendar:

H.R. 5. An act to amend the National Labor Relations Act and the Railway Labor Act to prevent discrimination based on participation in labor disputes.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-100. A joint resolution adopted by the Legislature of the State of Alaska relative to the Adak Naval Base; to the Committee on Armed Services.

"LEGISLATIVE RESOLVE NO. 10

"Whereas, the tensions of the "Cold War" have subsided and numerous military installations are being totally or partially closed by the Department of Defense; and

"Whereas, the Adak Naval Base has all of the facilities and infrastructure of a small city; and

"Whereas, with the reductions currently in progress at the Adak Naval Base, many of the facilities on the base will be excess to the needs of the military; and

"Whereas, Adak Island has a number of natural harbors in close proximity to major fishery resources; and

"Whereas, the opportunity exists to develop a "state of the art" model fishing community on Adak Island; and

"Whereas, history has shown that military bases and civilian communities can co-exist with benefits to both;

"Be it Resolved, That the Alaska State Legislature respectfully requests the Department of Defense and the Department of the Navy to release a portion of the Adak Island Naval Reserve to the State of Alaska for the development of a model fishing community on Adak Island.

"Copies of this resolution shall be sent to the Honorable Bill Clinton, President of the United States; the Honorable Al Gore, Jr., Vice-President of the United States and President of the U.S. Senate; the Honorable Les Aspin, Secretary of the Department of Defense; and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress."

POM-101. A resolution adopted by the Senate of the Legislature of the State of Hawaii relative to the formation of an economic

conversion task force; to the Committee on Armed Services.

"SENATE RESOLUTION 74

"Whereas, there is an urgent need to form an Economic Conversion Task Force to create contingency plans to manage the shift from defense-related to civilian economic activity resulting from the recently announced downsizing of the military in Hawaii; and

"Whereas, the Legislature does not seek to initiate a reduction of military resources in Hawaii, but instead favors an orderly and equitable transition of resources that prevents sudden displacement and hardship to workers and promotes economic benefits to Hawaii's citizens should a reduction in defense and military resources occur; and

"Whereas, the Legislature expressly supports and encourages a partnership among defense, military, government, and civilian workers and agencies potentially affected by any reduced military and defense resources; and

"Whereas, it is recognized that Hawaii's military and defense forces hold a strategic position in the Pacific important to our national security; and

"Whereas, the meaning of national security has expanded to include not only strategic defense, but also our nation's economic solvency, market productivity, job opportunity, municipal integrity, educational excellence, and health promotion and maintenance; and

"Whereas, it is recognized that the Clinton administration actively supports economic conversion efforts due to the end of the cold war between the superpowers, creating an opportunity to channel certain defense resources to promote neglected aspects of the nation's security; and

"Whereas, the federal government has announced plans for extensive base closures in the next two years, some of which may occur in Hawaii; and

"(2) Eight private interest members representing small business entities such as Small Business Hawaii or the Hawaii Federation of Independent Businesses; large businesses; national or Hawaii organized labor unions; native Hawaiian interests such as Hui Na'auao or Native Hawaiian Legal Corporation; University of Hawaii Departments of Economics, Urban Planning, or the Richardson School of Law; the Spark M. Matsunaga Institute for Peace; community organizations such as the neighborhood boards, Neighborhood Justice Center, American Friends Service Committee, Hawaii Council of Churches, or the Economic Development Corporation of Honolulu; and a private citizen with an acute interest in and proven knowledge of economic conversion issues; and

"Be it further resolved, That the Task Force shall be attached to the Department of Business, Economic Development, and Tourism for administrative purposes, and shall be chaired by the Director of the Department; and

"Be it further resolved, That:

"(1) Members be appointed for the duration of the Task force;

"(2) Any vacancy occurring in the membership be filled in the same manner in which the original appointment was made;

"(3) Task Force members serve without compensation but be reimbursed for expenses, including travel expenses, necessary for the performance of their duties; and

"(4) The department is requested to pay for the reimbursements out of departmental funds and staff the Task Force using existing employees; and

"Be it further resolved, That the Task Force is requested to recommend the terms and conditions of a plan for economic conversion including but not be limited to the following:

"(1) An assessment of the nature and number of military and defense-related jobs and landholdings represented in Hawaii;

"(2) A list of the defense contractors, subcontractors, and suppliers in the local economy;

"(3) The current status of military downsizing in Hawaii, if any, and a comprehensive review of possible economic disruption;

"(4) A summary of federal and state tax credit programs to apply to Hawaii businesses affected by cuts and the hiring of displaced workers; and

"(5) Formation of a contingency action plan to ensure economic stability and minimize commercial and individual hardships, of both a potential large-scale base closing and a gradual decrease of the defense presence in Hawaii, including, but not limited to, job retraining, business redevelopment, state and county government assistance, and new industry development; and

"Be it further resolved, That the Task Force is requested to hold at least one community forum in each county to solicit suggestions before drafting a preliminary plan; and that the task force draft a preliminary plan and hold additional forums for public comment before drafting the final plan; and

"Be it further resolved, That the Task force is requested to:

"(1) Prepare a final report containing a completed contingency plan for state defense-to-civilian economic conversion, including an outline of implementation procedures, no later than eighteen months from the date of the first meeting of the Task Force; and

"(2) Send copies of the contingency plan to the Governor, the Mayors of each county, the members of Hawaii's congressional delegation, and the presiding officers of the Senate and the House of Representatives of the Hawaii Legislature; and

"Be it further resolved, That the Task Force keep channels of communication open to all governmental bodies and to the public on an ongoing basis; and

"Be it further resolved, That the Task Force be dissolved automatically one year after the completion of its final report; and

"Be it further resolved, That certified copies of this Resolution be transmitted to the Governor, the Mayor of the City and County of Honolulu, the presiding officers of the Senate and the House of Representatives of the United States Congress, the members of Hawaii's congressional delegation, the presiding officers of the Senate and the House of Representatives of the Hawaii State Legislature, and the Director of Business, Economic Development, and Tourism."

POM-102. A concurrent resolution adopted by the Legislature of the State of Louisiana relative to the Intracoastal Waterway in Bayou Pigeon; to the Committee on Commerce, Science and Transportation.

"SENATE CONCURRENT RESOLUTION NO. 105

"Whereas, the United States Coast Guard has ordered the waterway to remain open when such levels have been exceeded; and

"Whereas, during flooding periods, residents of such areas are forced to construct a levee of sandbags to protect their homes and property; and

"Whereas, when the waterways are opened at higher than the agreed upon levels, wakes caused by barges have destroyed the man-

made levees endangering the lives and property of the residents of such communities.

"Therefore, be it resolved, That the Legislature of Louisiana memorializes the United States Congress to support requests that the United States Coast Guard set navigational standards of six and one-half feet for the Intracoastal Waterway in Bayou Sorrel.

"Be it further resolved, That a copy of this Resolution shall be transmitted to the secretary of the United States Senate and the clerk of the United States House of Representatives and to each member of the Louisiana congressional delegation."

POM-103. A joint resolution adopted by the General Assembly of the Commonwealth of Virginia relative to Amtrak rail service; to the Committee on Commerce, Science and Transportation.

"HOUSE JOINT RESOLUTION NO. 800

"Whereas, the National Rail Passenger Corporation (Amtrak) has recently completed an internal study of proposed new rail routes, including a new line from New York to Atlanta by way of Roanoke; and

"Whereas, such a new line would serve as a logical expansion of Amtrak's national network and would link several major population centers in western Virginia and eastern Tennessee with New York and Atlanta; and

"Whereas, with declining air and bus service to many of these cities, the new Amtrak route would provide badly needed transportation access and would act as a spur to local economies; and

"Whereas, rail passenger service to downtown Roanoke would provide additional support and increased visibility to such local economic development projects as the Hotel Roanoke and Conference Center, the Historic City Market, the proposed D-Day Memorial and Museum, the Virginia Museum of Transportation, and other attractions and businesses; and

"Whereas, top officials within the Virginia Department of Transportation, Amtrak, and the Clinton administration favor significant expansion of service and funding for Amtrak; now, therefore, be it

"Resolved, by the House of Delegates, the Senate concurring, That the General Assembly hereby memorialize the United States Congress to support the expansion of Amtrak service to downtown Roanoke as part of the proposed New York-Atlanta route; and, be it

"Resolved further, That the Clerk of the House of Delegates transmit copies of this resolution of the Speaker and the United States House of Representatives, the President of the United States Senate, and the members of the Virginia Congressional Delegation so that they may be apprised of the sense of the General Assembly of Virginia."

POM-104. A resolution adopted by the General Assembly of the State of Iowa relative to the entertainment industry; to the Committee on Commerce, Science and Transportation.

"HOUSE RESOLUTION 13

"Whereas, the members of the House of Representatives of the State of Iowa wish to direct the attention of the entertainment industry of the United States to the enormous impact that the entertainment industry has on the youth of the United States; and

"Whereas, young people and the rest of society are constantly exposed through television, movies, magazines, and music to a barrage of messages which glorify violence, sexual license, materialism, family alien-

ation, suicide, drugs and alcohol abuse, racism, and sexism; and

"Whereas, in the opinion of the House, the influence wielded by the entertainment industry has had a negative effect on society in general and on our youth in particular; and

"Whereas, the rise of violence throughout society, teen pregnancies, the incidence of sexually transmitted diseases, increasing drug and alcohol abuse, and health problems encountered by infants and children such as fetal alcohol syndrome and cocaine addiction, are often attributable to messages presented by the entertainment industry; and

"Whereas, more and more young people are alienated from civilizing values and family structures and are vulnerable to the negative messages placed before them by the entertainment industry; and

"Whereas, it is the position of the House that the messages delivered by America's entertainment industry are in part responsible for a tremendous burden on society, financially and otherwise; and

"Whereas, the fiscal burden falls on the state and the nation to pay the tremendous costs generated by such behaviors; Now therefore,

"Be it resolved by the House of Representatives, That the House admonishes the entertainment industry to reflect upon the industry's impact on society and to assume responsibility for the adverse consequences some of its members are having on society.

"Be it further resolved, That copies of this resolution be transmitted to the Honorable Bill Clinton, President of the United States; the Honorable Albert Gore, Vice President of the United States and President of the United States Senate; the Honorable Thomas Foley, Speaker of the United States House of Representatives; Donna Shalala, Secretary of the United States Department of Health and Human Services; and members of Iowa's congressional delegation and members of the entertainment industry including the following:

- "1. American Society of Composers, Authors, and Publishers.
- "2. Country Music Association.
- "3. Screen Actors Guild.
- "4. Songwriters Guild of America.
- "5. National Academy of Television Arts and Sciences.
- "6. American Federation of Television and Radio Artists.
- "7. Academy of Motion Picture Arts and Sciences.
- "8. American Association of Advertising Agencies.
- "9. National Cable Television Association.
- "10. Mr. Robert Wright, President, American Broadcasting Corporation.
- "11. Mr. Daniel B. Burke, President, American Broadcasting Corporation.
- "12. Mr. Laurence A. Tisch, President, Columbia Broadcasting Corporation.
- "13. Mr. R.E. Turner, President, Turner Broadcasting.
- "14. Mr. Rupert Murdoch, President, Fox Broadcasting System, Inc.
- "15. Mr. Tom Freston, President, MTV Networks."

POM-105. A joint resolution adopted by the Legislature of the State of Nevada relative to unclaimed securities distributions; to the Committee on Banking, Housing and Urban Affairs.

"ASSEMBLY JOINT RESOLUTION NO. 31

"Whereas, Numerous business associations acting as intermediaries in the distribution of dividend and interest payments hold large

amounts of unclaimed property belonging to people unknown to them; and

"Whereas, The dividends and interest are paid by taxpayers and companies doing business in all states; and

"Whereas, Presently there is no statutory mechanism to require the equitable distribution of unclaimed securities distributions to the states from which they were paid; now, therefore, be it

"Resolved by the Assembly and Senate of the State of Nevada jointly, That Congress is hereby urged to require that unclaimed securities distributions held by intermediaries be returned to the states of the taxpayers and companies that paid them so that the states can hold and disburse these unclaimed properties in accordance with their laws for the benefit of their residents; and be it further

"Resolved, That the Chief Clerk of the Assembly prepare and transmit a copy of this resolution to the Vice President of the United States as the presiding officer of the Senate, the Speaker of the House of Representatives and each member of the Nevada Congressional Delegation; and be it further

"Resolved, That this resolution becomes effective upon passage and approval."

POM-106. A joint resolution adopted by the Legislature of the State of Colorado relative to the Old Spanish Trail; to the Committee on Energy and Natural Resources.

"SENATE JOINT MEMORIAL 93-3

"Whereas, The Old Spanish Trail, which ran between Santa Fe and Los Angeles, was the first trail into Utah and is still the least known; and

"Whereas, Frontiersmen and traders en route from Santa Fe, New Mexico, to Los Angeles, California, blazed a circuitous route to the north through Utah; and

"Whereas, Between 1839 and 1848, a major trade route was established between Santa Fe and Los Angeles which stretched approximately 1,121 miles; and

"Whereas, The Old Spanish Trail and the Northern Branch of the Old Spanish Trail proceeded through much of Western Colorado and followed part of the route travelled by the Dominguez-Escalante Expedition of 1776; and

"Whereas, In 1853, Captain John Williams Gunnison, of the U.S. Corps of Topographic Engineers, was commissioned by the War Department to find a route for a railroad through the Colorado Rockies along the 38th parallel; and

"Whereas, During his expedition, Captain Gunnison came upon the Northern Branch of the Spanish Trail in the San Luis Valley, which he followed into eastern Utah; and

"Whereas, The federal government's Salt Lake Wagon Road followed portions of the Old Spanish Trail at the Northern Branch to bring supplies to the Los Pinos Indian Agency in the Uncompahgre Valley and the budding mining camp of Ouray, Colorado, in the late 1870's; and

"Whereas, The Old Spanish Trail and its Northern Branch was instrumental in the creation and establishment of many of Western Colorado's towns and communities, including Alamosa, Monte Vista, Saguache, Gunnison, Montrose, Olathe, Delta, Whitewater, Grand Junction, Fruita, Loma, Pagosa Springs, Durango, Mancos, Dolores, and Dove Creek; and

"Whereas, Very little information is recorded about the Northern Branch and much more can be learned about the Old Spanish Trail; and

"Whereas, Beginning with the Northern Branch of the Old Spanish Trail in the 1830's

and 1840's, followed by the Gunnison Expedition of 1853 and the Salt Lake Wagon Road of the late 1870's, the Grand Valley of Western Colorado has been the site of an historic route for travelers' now, therefore,

"Be it resolved by the Senate of the Fifty-ninth General Assembly of the State of Colorado, the House of Representatives concurring herein:

"That the Congress of the United States is hereby memorialized to adopt legislation which dedicates the Old Spanish Trail and the Northern Branch of the Old Spanish Trail as an historic trail.

"Be It Further Resolved, That copies of this Memorial be sent to the President of the United States, to the President of the United States Senate, to the Speaker of the United States House of Representatives, and to each member of Colorado's congressional delegation."

POM-107. A joint resolution adopted by the General Assembly of the State of Iowa relative to Guam; to the Committee on Energy and Natural Resources.

"SENATE JOINT RESOLUTION 3

"Whereas, the United States is recognized worldwide for its pursuit of global democracy and its support of the right of people everywhere to seek self-determination, but especially for those people under its jurisdiction; and

"Whereas, the General Assembly of the State of Iowa, as a member government of the United States of America, also supports the right of each state and territory under the United States to seek the political standing best suited to its people; and

"Whereas, the Territory of Guam is attempting to establish a just political relationship between the people of Guam and the United States; and

"Whereas, Guam seeks to provide for the rights of the people of Guam in areas of vital interest to them, including land use, immigration, taxation, and the applicability of federal laws immigration, taxation, and the applicability of federal laws constraining their development; and

"Whereas, the Guam Territorial Legislature has obtained introduction of the Commonwealth Act of Guam in the United States Congress which would grant commonwealth status to the Territory; and

"Whereas, the General Assembly encourages the United States government to allow the people of Guam to determine their own political, social, and economic future; and

"Whereas, support for the Guam Commonwealth effort has been evidenced by policy statements and resolutions of the National Governors Association, the Western Legislative Conference of the Council of State Governments, the National Conference of State Legislatures, and the United States Conference of Mayors; now therefore,

"Be it resolved by the General Assembly of the State of Iowa: That the General Assembly of the State of Iowa supports the efforts of the people of Guam to achieve commonwealth status and a just and permanent relationship with the United States.

"Be it further resolved, That copies of this resolution be transmitted to the Honorable Bill Clinton, President of the United States; the Honorable Albert Gore, Vice President of the United States and President of the United States Senate; the Honorable Thomas Foley, Speaker of the United States House of Representatives; the Honorable George Mitchell, Majority Leader of the United States Senate; the Honorable Joseph F. Ada, Governor of Guam; the Honorable Joe T. San

Agustin, Speaker of the Guam Legislature; and Iowa's congressional delegation."

POM-108. A joint resolution adopted by the Legislature of the State of Louisiana relative to the Fast Flux Test Facility; to the Committee on Energy and Natural Resources.

"SENATE JOINT MEMORIAL 8017

"Whereas, The Fast Flux Test Facility (FFTF) at Hanford is the newest, largest, safest and most versatile test reactor in the nation; and

"Whereas, The FFTF is a unique national asset, and as the most advanced research and development facility of its kind is invaluable to the international technical community; and

"Whereas, Because of its size and versatility the FFTF can support multiple missions simultaneously; and

"Whereas, A marketing study commissioned by former Governor Gardner and completed in March 1992, shows significant international and domestic support for continued operation of the FFTF; and

"Whereas, The United States Congress in the National Energy Security Act of 1992 directed the United States Department of Energy to aggressively pursue development and implementation of long-term missions for the FFTF; and

"Whereas, Similarly the Congress has appropriated seventy million dollars for the continued operation of the FFTF during federal fiscal year 1993; and

"Whereas, The FFTF has set world performance records for reactors; and

"Whereas, The FFTF can produce life-saving medical isotopes, including pain-relieving isotopes for sufferers of bone cancer, and many of these isotopes are now imported; and

"Whereas, The FFTF can be used to destroy plutonium in nuclear weapons, leading to a safer world; and

"Whereas, There is a great need for Plutonium-238 to power space probes during the next century and the FFTF can provide this material; and

"Whereas, A potential exists for generating commercial electrical power from the FFTF; and

"Whereas, Foreign interests and foreign governments have expressed interest and have pledged financial support for the FFTF conditioned upon a long-term United States Department of Energy commitment to the operation of the FFTF;

"Now, therefore, your Memorialists respectfully pray that the FFTF be given adequate financial and political support by the United States Department of Energy so as to be given a long-term mission that meets the potential needs of the nation and the world in the areas of medicine, power, science, and world peace.

"Be it resolved, That copies of this Memorial be immediately transmitted to the Honorable Bill Clinton, President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, the Secretary of the United States Department of Energy, and each member of Congress from the State of Washington."

POM-109. A concurrent resolution adopted by the Legislature of the State of New Hampshire relative to federally owned lands; to the Committee on Energy and Natural Resources.

"HOUSE CONCURRENT RESOLUTION 8

"Whereas, municipalities and counties in New Hampshire depend, in large measure, on local property taxes for their revenue; and

"Whereas, the proportion of federally-owned lands in some municipalities and counties creates an unfair tax burden when compared to the taxes paid on land under private ownership, and

"Whereas, the President federal reimbursement rate to municipalities for entitlement land is not sufficient; now, therefore, be it

"Resolved by the House of Representatives, the Senate concurring: That Congress is encouraged to increase the federal reimbursement rate to municipalities and counties for government-owned land by amending the provisions of 31 U.S.C. 6902; and

"That the Clerk of the House of Representatives shall transmit copies of this resolution to the United States Speaker of the House, the President of the United States Senate, and the members of the New Hampshire Congressional delegation."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BYRD, from the Committee on Appropriations:

Special Report entitled "Further Revised Allocation to Subcommittees of Budget Totals from the Concurrent Resolution for Fiscal Year 1993" (Rept. No. 103-60).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with amendments:

S. 341. A bill to provide for a land exchange between the Secretary of Agriculture and Eagle and Pitkin Counties in Colorado, and for other purposes (Rept. No. 103-61).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with amendments:

S. 646. A bill to establish within the Department of Energy an international fusion energy program, and for other purposes (Rept. No. 103-62).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with amendments:

H.R. 63. A bill to establish the Spring Mountains National Recreation Area in Nevada, and for other purposes (Rept. No. 103-63).

By Mr. SASSER, from the Committee on the Budget, without amendment:

S. 1134. An original bill to provide for reconciliation pursuant to section 7 of the concurrent resolution on the budget for fiscal year 1994.

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. SASSER:

S. 1134. An original bill to provide for reconciliation pursuant to section 7 of the concurrent resolution on the budget for fiscal year 1994; from the Committee on the Budget; placed on the calendar.

By Mr. DASCHLE (for himself, Mr. KERREY, and Mr. HEFLIN):

S. 1135. A bill to amend the Food Stamp Act of 1977 to improve quality control, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. INOUE:

S. 1136. A bill for the relief of Alfredo Tolentino of Honolulu, Hawaii; to the Committee on Governmental Affairs.

By Mr. INOUE:

S. 1137. A bill for the relief of the surviving children of Barbara Hutchings and Peter Hutchings; to the Committee on Finance.

By Mr. DANFORTH (for himself, Mr. BRADLEY, Mr. BIDEN, Mrs. BOXER, Mr. BRYAN, Mr. CHAFEE, Mrs. FEINSTEIN, Mr. HATCH, Mr. HOLLINGS, Mr. KERREY, Ms. MIKULSKI, Ms. MOSELEY-BRAUN, Mr. REID, Mr. ROBB, Mr. ROCKEFELLER, Mr. SIMON, Mr. WELLSTONE, Mr. METZENBAUM, Mr. CAMPBELL, Mrs. MURRAY, Mr. PELL, and Mrs. KASSEBAUM):

S. 1138. A bill to provide resources for child-centered activities conducted, where possible, in public school facilities; to the Committee on Labor and Human Resources.

By Mr. LAUTENBERG:

S. 1139. A bill to provide for reform of environmental contracting, and for other purposes; to the Committee on Governmental Affairs.

By Mr. KERRY (for himself and Mr. KENNEDY):

S. 1140. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for fees for sewer and water services to the extent such fees exceed 1 percent of adjusted gross income, and to offset the cost of such deduction by disallowing the deduction for amounts paid pursuant to settlements and for compensatory damages under certain environmental laws; to the Committee on Finance.

By Mr. ROCKEFELLER (for himself, Mr. GRAHAM, Mr. AKAKA, and Mr. MURKOWSKI):

S. 1141. A bill to amend chapter 17 of title 38, United States Code, to require the Secretary of Veterans' Affairs to conduct a hospice care pilot program and to provide certain hospice care services to terminally ill veterans; to the Committee on Veterans Affairs.

By Mr. HARKIN:

S. 1142. A bill to improve counseling services for elementary school children; to the Committee on Labor and Human Resources.

By Mr. BAUCUS (for himself, Mr. CONRAD, Mrs. MURRAY, Mr. INOUE, and Mr. DORGAN):

S. 1143. A bill to improve the delivery of health care services in rural areas by creating an Assistant Secretary for Rural Health, to attend title XVIII of the Social Security Act to provide that medical assistance facilities be reimbursed based on reasonable cost, to establish a grant program for the use of interactive telecommunications systems, and to adjust the payments made for certain direct graduate medical education expenses; to the Committee on Finance.

By Mr. INOUE:

S.J. Res. 105. A joint resolution designating both September 29, 1993, and September 28, 1994, as "National Barrier Awareness Day"; to the Committee on the Judiciary.

By Mr. LAUTENBERG:

S.J. Res. 106. A joint resolution designating July 2, 1993 and July 2, 1994 as "National Literacy Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Ms. MOSELEY-BRAUN (for herself and Mr. SIMON):

S. Res. 123. A resolution to congratulate the Chicago Bulls on winning the 1993 Na-

tional Basketball Association Championship; considered and agreed to.

By Mr. BRADLEY (for himself and Mr. LEAHY):

S. Res. 124. A resolution expressing the sense of the Senate that the Olympic Summer Games in the year 2000 should not be held in Beijing or elsewhere in the People's Republic of China; to the Committee on Commerce, Science, and Transportation.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DASCHLE (for himself, Mr. KERREY, and Mr. HEFLIN):

S. 1135. A bill to amend the Food Stamp Act of 1977 to improve quality control, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

FOOD STAMP QUALITY CONTROL SYSTEM ACT OF 1993

● Mr. DASCHLE. Mr. President, today I am introducing S. 1135, a bill to amend the Food Stamp Act of 1977 to improve the quality control system. The intent of the quality control system is to measure a State's performance in determining applicants' eligibility for food stamp benefits, but the current system has resulted in excessive error-rate penalties.

Quality control is an issue that must be addressed to enable States to maintain current administrative support for the food stamp program. In light of the increasing cost and need to maintain the integrity of Federal entitlement programs, States acknowledge the need for a quality control program that accurately evaluates performance. But as it stands now, the system generates grossly excessive error-rate penalties, is based on unreliable measures of State performance, and is the source of ongoing conflicts between the Food and Nutrition Service [FNS] and the States.

My home State of South Dakota boasts one of the most efficiently operated food stamp programs in the country and has never been issued a fiscal sanction. However, I realize that my State is the exception to the rule, and that is exactly why this reform is needed.

We must ensure an equitable system, especially given the fact that a report recently released by the U.S. Department of Agriculture revealed that a record number of Americans now use food stamps. Obviously, increased workloads translate into increased mistakes. Given this food stamp caseload, 10.4 percent of the U.S. population, it is imperative that States be evaluated by a system that demonstrates a reasonable and reliable measure of their performance. The result we must strive for with quality control reform is a more effective and efficient administration of the food stamp program.

While Congress took action in 1988 to reform the quality control system, the

fact that some States continue to be assessed with excessive penalties and likely to engage in lengthy litigation, makes additional reform a necessity. The legislation I am introducing today, along with my colleagues, Senators KERREY and HEFLIN, will set reasonable target rates and establish a reliable and fair system for measuring a State's performance.

The Food Stamp Quality Control System Act of 1993 would make the food stamp quality control program largely consistent with the aid to families with dependent children quality control program. Currently, the error-rate target is one percentage point above the lowest national average error rate ever recorded. This bill would change the target to the national average for that particular fiscal year, thereby creating a floating national average.

The legislation would also change the penalty formula. As it stands now, States are liable for every dollar misspent over the target. Under the Food Stamp Quality Control System Act, sanctions would be calculated on a sliding scale, with a State's sanction based on the degree to which the State's error rate exceeds the target rate, so that States only modestly exceeding their targets are not penalized as heavily as States that grossly exceed their targets.

Another provision in the bill would place guidelines for good cause waivers in statute and authorize administrative law judges to make the good cause determinations and remove the FNS from this process. States favor having an independent decisionmaker involved in good cause waivers.

Finally, to address the statistical accuracy of the quality control program, this bill would eliminate the current two-tier overview system. Presently, States review a sample of cases to determine the error rate, and FNS then reviews a much smaller sub-sample of cases and applies a linear regression formula to derive the final error rate using both sets of results. Under the Food Stamp Quality Control System Act, a one-tier system would be in effect in which States would review cases under FNS direction, unless a State chooses to have FNS conduct the review.

States understand and appreciate the need for quality reform, but, understandably, they would like to be evaluated by a system that produces a reasonable and reliable measure of their performance. The Food Stamp Quality Control System Act of 1993 is strongly supported by the National Governor's Association. It also has the endorsement of the American Public Welfare Association.

Mr. President, I urge my colleagues to join me in support of this bill, and ask unanimous consent to have the full text of the bill printed in the RECORD.

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

S. 1135

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Food Stamp Quality Control System Act of 1993".

SEC. 2. FOOD STAMP QUALITY CONTROL SYSTEM.

(a) **COLLECTION AND DISPOSITION OF CLAIMS.**—The fifth sentence of section 13(a)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2022(a)(1)) is amended by striking "(after a determination on any request for a waiver for good cause related to the claim has been made by the Secretary)".

(b) **ADMINISTRATIVE AND JUDICIAL REVIEW.**—Section 14(a) of such Act (7 U.S.C. 2023(a)) is amended—

(1) in the sixth sentence, by inserting after "pursuant to section 16(c)" the following: "(including determinations as to whether there is good cause for not imposing all or part of the penalty)";

(2) by inserting after the sixth sentence the following new sentence: "In deciding whether to uphold all or part of a penalty (including whether there is good cause for not imposing all or part of the penalty), the judges shall conduct a thorough review of the issues and take into account all relevant evidence.";

(3) by inserting after the eighth sentence (after the amendment made by paragraph (2)) the following new sentence: "The deliberative process privilege shall not be the basis for the withholding of documents by the Secretary or the State agency."; and

(4) by striking the last sentence.

(c) **ADMINISTRATIVE COST SHARING AND QUALITY CONTROL.**—Subsection (c) of section 16 of such Act (7 U.S.C. 2025(c)) is amended to read as follows:

"(c)(1) As used in this subsection:

"(A) The term 'good cause' shall include, but not be limited to—

"(i) uncontrollable, significant caseload fluctuations that substantially disrupt food stamp program administration;

"(ii) natural disasters that substantially disrupt food stamp program administration;

"(iii) Federal or State program changes that substantially disrupt food stamp program administration;

"(iv) strikes that substantially disrupt food stamp program administration;

"(v) uncontrollable client-caused errors;

"(vi) demographic factors, such as literacy, homelessness, unemployment, poverty, and the rural composition of the population, that contribute substantially to an excessive error rate and depart substantially from national averages for the factors;

"(vii) State program improvements reasonably designed to reduce error rates in the longer term, but that uncontrollably cause short-term increases in the error rate; and

"(viii) other circumstances beyond the control of a State agency.

"(B) The term 'national average overpayment error rate' means, in the case a fiscal year, the ratio of—

"(i) the total value of allotments issued by all State agencies in the fiscal year that are—

"(I) issued to households that fail to meet basic program eligibility requirements; or

"(II) overissued to eligible households; to

"(ii) the total value of all allotments issued by all State agencies in the fiscal year.

"(C) The term 'national average underpayment rate' means, in the case of a fiscal year, the ratio of—

"(i) the total value of all allotments underissued by all State agencies to recipient households in the fiscal year; to

"(ii) the total value of all allotments issued by all State agencies in the fiscal year.

"(D)(i) The term 'overpayment error rate' means—

"(I) the percentage of the value of all allotments issued in a fiscal year by a State agency that are—

"(aa) issued to households that fail to meet basic program eligibility requirements; or

"(bb) overissued to eligible households,

"(II) reduced by the amount by which the national average underpayment error rate for the fiscal year exceeds the underpayment error rate of the State agency for the fiscal year.

"(ii) At the request of a State agency, the Secretary shall apply the reduction required under clause (i)(II) in determining the overpayment error rate of the State agency for either of the 2 following fiscal years instead of in determining the overpayment error rate of the State agency for the fiscal year to which the reduction would otherwise apply.

"(E) The term 'payment error rate' means the sum of the overpayment error rate and the underpayment error rate.

"(F) The term 'underpayment error rate' means the ratio of the value of allotments underissued to recipient households to the total value of allotments issued in a fiscal year by a State agency.

"(2) The program authorized under this Act shall include a system that enhances payment accuracy by establishing fiscal incentives that require State agencies with high error rates to share in the cost of payment errors and provide enhanced administrative funding to State agencies with the lowest error rates.

"(3)(A) Under the system, subject to subparagraph (B), the Secretary shall adjust the federally funded share of a State agency of administrative costs pursuant to subsection (a), other than the costs already shared in excess of 50 percent under the proviso in the first sentence of subsection (a) or under subsection (g), by increasing the share of all the administrative costs by 1 percentage point to a maximum of 60 percent of all the administrative costs for each full 1/10 of a percentage point by which the payment error rate is less than 6 percent.

"(B) Only a State agency whose rate of invalid decisions in denying eligibility is less than a nationwide percentage that the Secretary determines to be reasonable shall be entitled to the adjustment prescribed in subparagraph (A).

"(4) The Secretary shall foster management improvements by State agencies pursuant to subsection (b) by requiring a State agency, other than a State agency that receives an adjustment under paragraph (3), to develop and implement corrective action plans to reduce payment errors.

"(5) Subject to paragraph (6), if the overpayment error rate of a State agency for a fiscal year exceeds the national average overpayment error rate for the fiscal year, other than for good cause shown, the State agency shall pay to the Secretary a penalty for the fiscal year in an amount obtained by multiplying—

"(A) the value of all allotments issued by the State agency in the fiscal year; times

"(B) the lesser of—

"(I) the ratio of—

"(i) the amount by which the overpayment error rate of the State agency for the fiscal year exceeds the national average overpayment error rate for the fiscal year; to

"(ii) the national average overpayment error rate for the fiscal year; or

"(II) 1; times

"(C) the amount by which the overpayment error rate of the State agency for the fiscal year exceeds the national average overpayment error rate for the fiscal year.

"(6) The amount determined under paragraph (5) shall be reduced by the product obtained by multiplying—

"(A) the ratio of—

"(i) the amount by which the overpayment error rate of the State agency for the fiscal year exceeds the national average overpayment error rate for the fiscal year; to

"(ii) the overpayment error rate of the State agency for the fiscal year; times

"(B) the overpayments recovered by the State agency in the fiscal year.

"(7) A State agency may pay a penalty established pursuant to paragraphs (5) and (6) in quarterly payments over a period not to exceed 30 months, in amounts sufficient to pay the penalty with interest by the end of the period. The amount of liability shall not be affected by corrective action taken under paragraph (4).

"(8) The following errors may be measured for management purposes but shall not be included in the overpayment or underpayment error rate:

"(A) Any error resulting from the application of new regulations promulgated under this Act during the 120-day period beginning on the date of the implementation of the regulations.

"(B) Any error resulting from the use by a State agency of correctly processed information concerning a household or individual received from a Federal agency or from an action based on policy information approved or disseminated, in writing, by the Secretary.

"(C) Any case found by a quality control review to have involved, but later found in a fair hearing not to have involved, an overpayment, underpayment, or payment to an ineligible recipient.

"(9)(A) Except as provided in subparagraph (B), in determining whether a payment is an erroneous payment, the Secretary and the State agency shall apply all relevant provisions of the State plan approved under section 11.

"(B)(i) Except as provided in clause (i), if a provision of a State plan approved under section 11 is inconsistent with a provision of Federal law or regulations, and the Secretary has notified the State agency of the inconsistency in writing, the provision of Federal law or regulations shall control.

"(ii) Clause (i) shall not apply with respect to a payment of the State agency if—

"(I) it is necessary for the State to enact a law in order to remove an inconsistency described in clause (i), the Secretary has advised the State agency that the State will be allowed a reasonable period during which to enact the law, and the payment was made during the period; or

"(II) the State agency made the payment in compliance with a court order.

"(10) If the Secretary, directly or indirectly, receives from a State agency all or part of the amount of a penalty imposed under paragraph (5) and all or part of the penalty is finally determined not to have been due, the Secretary shall promptly refund to the State agency the amount determined not to have been due, with interest which shall accrue from the date of receipt at the rate described in section 13(a)(1).

"(11)(A) For purposes of this subsection—
 "(i) each State error rate shall be determined on the basis of a review of a single statistical sample of food stamp cases of each State agency for the fiscal year (without sub-sampling, re-reviews, or statistical regression analyses); and

"(ii) national average error rates shall be derived from State error rates determined in accordance with clause (i).

"(B) The review shall be conducted—
 "(i) by State agency personnel under the direction of the Secretary pursuant to regulations adopted by the Secretary; or

"(ii) if a State agency elects for any particular review, by the Secretary.

"(C) No penalty shall be collected under paragraph (5) if the width of the 95 percent confidence interval of any error rate on which the error rate is based exceeds 50 percent of the point estimate of the error rate, unless the State to which a particular error rate pertains agreed in writing to a sample size that precludes meeting the requirements of this subparagraph.

"(D) An error rate, incentive payment, and penalty claim for a fiscal year shall be determined by the Secretary and communicated to a State agency not later than 9 months after the end of the fiscal year.

"(12) If the Secretary asserts a financial claim against a State agency under paragraph (5), the State may seek administrative and judicial review of the action pursuant to section 14."

SEC. 3. STUDY OF QUALITY CONTROL STATISTICAL SYSTEM.

(a) STUDY.—

(1) IN GENERAL.—The Secretary of Agriculture and State agencies that administer the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) shall jointly undertake a study of measurement error, and of geographical and temporal uniformity of measurements, in the food stamp program quality control error-rate estimation system.

(2) EXPERIMENTS.—As part of the study, the Secretary and the State agencies shall jointly conduct controlled experiments under which various reviewers review identical cases, with the objective of determining the degree of uniformity in quality control error-rate measurements and the extent to which different levels of investment of resources in the review process affect measurement error.

(b) REPORT.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary and State agencies shall report the results and recommendations of the study to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(2) RECOMMENDATIONS.—The report shall include recommendations as to what measures would best reduce measurement error and increase uniformity of quality control error-rate measurements at a reasonable cost.

SEC. 4. BUDGET NEUTRALITY REQUIREMENT.

(a) IN GENERAL.—No provision of this Act or an amendment made by this Act shall become effective unless the cost of the provision or amendment is fully offset in each fiscal year through fiscal year 1995.

(b) PRICE SUPPORT PROGRAMS.—No agricultural price support, production adjustment, or income support program administered by the Secretary of Agriculture or the Commodity Credit Corporation may be reduced to achieve the offset.

SEC. 5. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsection (b), this Act shall become effective on the date of enactment of this Act.

(b) FOOD STAMP QUALITY CONTROL SYSTEM.—The amendments made by section 2 shall be effective as of October 1, 1991.●

By Mr. DANFORTH (for himself, Mr. BRADLEY, Mr. BIDEN, Mrs. BOXER, Mr. BRYAN, Mr. CHAFEE, Mrs. FEINSTEIN, Mr. HATCH, Mr. HOLLINGS, Mr. KERREY, Ms. MIKULSKI, Ms. MOSELEY-BRAUN, Mr. REID, Mr. ROBB, Mr. ROCKEFELLER, Mr. SIMON, Mr. WELLSTONE, Mr. METZENBAUM, Mr. CAMPBELL, Mrs. MURRAY, Mr. PELL, and Mrs. KASSEBAUM):

S. 1138. A bill to provide resources for child-centered activities conducted, where possible, in public school facilities; to the Committee on Labor and Human Resources.

COMMUNITY SCHOOLS ACT OF 1993

● Mr. DANFORTH. Mr. President, I rise today, together with my distinguished colleague, Senator BRADLEY, to introduce the Community Schools Act of 1993. In doing so, we are moved by the spirit of the African proverb "It takes an entire village to raise a child."

When asked to rank seven causes of students having difficulty in school, more than half of the teachers interviewed in one Harris Poll cited children being left alone after school as the number one factor. Other recent studies also confirm what we know to be intuitively true: Unsupervised children are more likely to get into serious trouble. According to the Department of Education, unsupervised after school hours are a period of significant risk. It is a time when children engage in dangerous and illegal activities and adolescent, often unprotected, sex. In one 1989 study, eighth graders who were unsupervised for 11 or more hours a week experienced twice the risk of substance abuse as those who had some adult supervision.

Whether because they work or are themselves caught in the cycle of family breakdown, many parents are unavailable for their children. Certainly this is the case at 3:30 on weekday afternoons. And this problem is especially acute in economically depressed, high crime neighborhoods. Children suffer and, in the long run, perpetuate the cycle.

After the Los Angeles riots, Senators BRADLEY and COHEN and I met with many individuals to ask how we could help. Responses varied, but the problem of children running around unsupervised was a recurring concern. We needed to find places and people to keep kids occupied and happy.

Public schools are open roughly 7 hours a day, 170 to 180 days a year. Put another way, a quarter of a trillion dollars' worth of public school buildings,

classrooms, gyms, swimming pools, libraries, and other facilities, are locked up and their owners—the communities—kept out, 85 percent of the time. We are not advocating that schools should be run 24 hours a day every day. However, where communities are clamoring for a place to nurture and protect their children and are ready to devote their own time and efforts, why not keep public school facilities open 12 hours a day all year round, including weekends?

Why not let children play safely while their parents work? Or give them some help with their homework and perhaps tutoring in a weak subject? Why not organize some healthy basketball games with friends and classmates? Why not let talented volunteers teach art or dance?

This is not a new idea. Hundreds of communities have implemented before- and after-school programs with a host of educational and recreational activities. Last year in my State alone, according to the Missouri Department of Education, 675 public school buildings were kept open for community use after school hours and over 6,000 volunteers contributed almost 100,000 volunteer hours.

Unfortunately, however, as reported in 1992 by the Carnegie Corporation's Task Force on Youth Development and Community Programs, nationally, the young people in greatest need had the least access to support and services. Instead, existing programs tend to serve young people from more advantaged families. There are notable exceptions and some, like St. Louis' Walbridge Caring Communities Program and Independence's Schools of the 21st Century Program, have shown how much impact a safe haven for at-risk children can have on a community. That is why The Community Schools Act of 1993 targets distressed areas.

Some essentials we cannot provide: Strong, responsible, visionary community leaders; an atmosphere of community cooperation, trust, and willingness to sacrifice; detailed plans, tailored to meet the needs of each specific community and capture the energies and enthusiasms of its children. But, in communities where those exist, where there are people like Kent Amos, a Washington, DC, executive who has devoted his personal resources, his own home, and his life to creating a supportive environment for neighborhood children, we can help with Federal resources. Targeted resources for a devastating problem is recognition, approbation, encouragement, and empowerment.

Mr. President, I would like to add a note about the cost and scope of this initiative. Although I believe it is an investment in children which will save money in the long run, I am acutely aware of the compelling need to refrain from increasing the Nation's deficit.

My intention is to see community schools operate, but only within the existing budget. Therefore, although this bill authorizes funds in order to establish the scope of a viable demonstration, it is done in anticipation of the repeal of the Drug Elimination Grants Program and the inclusion of community schools as an eligible activity in HUD's Community Partners Against Crime [COMPAC] Program. COMPAC, which is slated to replace the existing Drug Elimination Grant Program is already budgeted at \$100 million more than drug elimination. I hope that from within that increase requested by the President, at least \$15 million a year will be committed to implementing community school programs.

I also wish to extend my appreciation to the administration for incorporating this community schools idea into its National Service initiative. I believe that it is an ideal vehicle for the promotion of such programs nationwide.

Mr. President, I do not think any legislation can recreate families or communities or end gangs and drugs. With this bill, however, we can provide a safe haven to some of America's ravaged youth.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1138

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

SECTION 1. SENSE OF THE CONGRESS; FINDINGS; PURPOSE.

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

(1) public-private partnerships between government and community-based organizations offer an opportunity to—

(A) empower distressed and disconnected communities to develop their own resources and abilities in order to meet the needs of children; and

(B) forge innovative solutions to the challenges confronting the development of the children in such communities; and

(2) increased resources should be invested in public-private partnerships.

(b) FINDINGS.—The Congress finds that—

(1) because of the increased difficulty of supporting families on a single wage and the growth of single parent families, parents have less time to devote to the supervision, education, and nurturing of their children;

(2) the lack of supervision and meaningful activity after school contributes to the spread of gang violence, drug trafficking, and lack of hope among children in our Nation;

(3) the problems described in paragraphs (1) and (2) and crimes, although widespread, are particularly acute in communities where there is a concentration of low-income housing;

(4) the community has a responsibility for developing our Nation's children into productive adults;

(5) because of their centrality, public schools are among the best facilities for providing needed space and support services that expand traditional uses of schools;

(6) schools are most effective when the people of the community are involved in activities designed to fulfill the needs of children in the community; and

(7) homes, community centers, recreational facilities and other places where children gather, have a significant impact on children.

(c) PURPOSE.—It is the purpose of this Act—

(1) to set forth the vision and plan for a nationwide restructuring of the way communities engage in the nurturing and development of children, especially children living and growing up in urban neighborhoods throughout the Nation;

(2) to provide (in collaboration with other public, private and nonprofit organizations and agencies) curriculum-based educational, recreational, cultural, health, social, and other related community and human services; and

(3) to test the affects of assisting communities located within economically distressed areas to develop and conduct programs that will increase the academic success of students and improve work force readiness.

SEC. 2. COMMUNITY SCHOOLS DEMONSTRATION PROGRAM.

(a) ELIGIBLE ACTIVITY.—Section 5124 of the Public and Assisted Housing Drug Elimination Act of 1990 (42 U.S.C. 11903) is amended by adding at the end the following new subsection:

"(c) COMMUNITY SCHOOLS.—Notwithstanding any other provision of this chapter, grants under this chapter may be used for community schools demonstration programs described in chapter 4."

(b) PROGRAM ESTABLISHED.—Subtitle C of title V of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11901 et seq.) is amended by adding at the end the following new chapter:

"CHAPTER 4—COMMUNITY SCHOOLS DEMONSTRATION PROGRAM

"SEC. 5148. COMMUNITY SCHOOLS DEMONSTRATION PROGRAM.

"(a) SHORT TITLE.—This chapter may be cited as the 'Community Schools Demonstration Program Act of 1993'.

"(b) PROGRAM AUTHORITY.—The Secretary is authorized to award not more than 10 demonstration grants in accordance with this section to community-based organizations to enable such organizations to assist eligible communities located within economically distressed areas to develop and conduct programs that will increase the academic success of students and improve work force readiness.

"(c) PROGRAM REQUIREMENTS.—Each program assisted under this section shall—

"(1) provide services and activities to children in the eligible community, including curriculum-based supervised educational, recreational, work force preparation, entrepreneurship, cultural, health, social activities, and other related community and human services; and

"(2) coordinate the delivery of social services to the children in such eligible community in order to meet the needs and preferences of such children.

"(d) PEER REVIEW PANEL.—

"(1) ESTABLISHMENT.—The Secretary, in consultation with the Secretaries of Education, Labor and Health and Human Services, shall establish a peer review panel which shall be comprised of individuals with demonstrated experience in designing and implementing community-based programs.

"(2) COMPOSITION.—Such panel shall include at least 1 representative from each of the following entities:

"(A) A community-based organization.

"(B) A local government.

"(C) A school district.

"(D) The private sector.

"(E) A philanthropic organization.

"(3) FUNCTIONS.—Such panel shall conduct the initial review of all grant applications received by the Secretary under subsection (g), make recommendations to the Secretary regarding grant funding under this section, and recommend a design for the evaluation of programs assisted under this section.

"(e) ELIGIBLE COMMUNITY IDENTIFICATION.—Each community-based organization receiving a grant under this section shall identify an eligible community to be assisted under this section. Such eligible community shall be an area—

"(1) of poverty, unemployment, and general distress; and

"(2) located in a metropolitan statistical area in which the unemployment rate exceeds by more than 1.5 percent the national unemployment rate.

"(f) DEFINITION.—For the purpose of this section—

"(1) the term 'community-based organization' means a private, locally initiated nonprofit community-based organization which—

"(A) is tax exempt under section 501(c)(3) of the Internal Revenue Code of 1986;

"(B) is organized for educational and charitable purposes; and

"(C) is governed by a board consisting of residents of the community, and business and civic leaders actively involved in providing employment and business development opportunities in the eligible community;

"(2) the term 'eligible community' means an area identified pursuant to subsection (d); and

"(3) the term 'Secretary', unless otherwise specified, means the Secretary of Housing and Urban Development.

"(g) APPLICATIONS.—

"(1) APPLICATION REQUIRED.—Each community-based organization desiring a grant under this section shall submit to the Secretary an application at such time, in such manner, and accompanied by such information, as the Secretary may reasonably require.

"(2) CONTENTS OF APPLICATION.—Each application submitted pursuant to paragraph (1) shall—

"(A) describe the activities and services for which assistance is sought;

"(B) contain an assurance that the community-based organization will spend grant funds under this section in a manner that the community-based organization determines will best accomplish the purposes of this section;

"(C) contain a comprehensive plan designed to achieve identifiable goals for children in the eligible community;

"(D) set forth measurable goals and outcomes that will make the public school, where possible, the focal point of the eligible community, which goals and outcomes may include increasing graduation rates, school attendance, and academic success in the eligible community and improving the skills of program participants;

"(E) provide evidence of support for accomplishing such goals and outcomes of the program from—

"(i) community leaders;

"(ii) businesses;

"(iii) a school district;

"(iv) local officials;

"(v) State officials; and

"(vi) other organizations that the community-based organization deems appropriate;

"(F) contain an assurance that the community-based organization will use grant funds under this section to provide children in the eligible community with after school activities and services that include curriculum-based supervised educational, recreational, work force preparation, entrepreneurship, cultural, health, social activities, and other related community and human services;

"(G) contain a list of the activities and services that will be offered and sponsored by private nonprofit organizations, individuals, and groups serving the eligible community, including—

"(i) recreational activities in addition to educational programs (such as computer, mathematics, and science and technology, and language skills programs); and

"(ii) activities that address specific needs in the community;

"(H) demonstrate how the community-based organization will make use of the resources, expertise, and commitment of private entities;

"(I) include an estimate of the number of children in the eligible community expected to be served pursuant to the program;

"(J) include a description of philanthropic private and all other resources that will be made available to achieve the goals of the program; and

"(K) contain an assurance that the community-based organization will use competitive procedures when purchasing, contracting or otherwise providing for goods, activities or services under this section.

"(h) PAYMENTS; FEDERAL SHARE; NON-FEDERAL SHARE.—

"(1) PAYMENTS; FEDERAL SHARE; NON-FEDERAL SHARE.—

"(A) PAYMENTS.—The Secretary shall pay to each community-based organization having an application approved under subsection (g) the Federal share of the costs of the activities and services described in the application.

"(B) FEDERAL SHARE.—The Federal share of payments under this section shall be 65 percent.

"(C) NON-FEDERAL SHARE.—

"(i) IN GENERAL.—The non-Federal share of payments under this section may be in cash or in kind, fairly evaluated.

"(ii) SPECIAL RULE.—At least 15 percent of the non-Federal share of payments under this section shall be provided from private or nonprofit sources.

"(i) EVALUATION.—The Secretary shall conduct a thorough evaluation of the programs assisted under this section. Such evaluation shall include an assessment of—

"(1) the number of children participating in each program assisted under this section;

"(2) the academic achievement of such children;

"(3) school attendance and graduation rates of such children; and

"(4) the number of such children being processed by the juvenile justice system.

"(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated \$15,000,000 for each of the fiscal years 1994, 1995, 1996, 1997 and 1998 to carry out this section."•

• Mr. BRADLEY, Mr. President, I am pleased to join my colleague, Senator DANFORTH, in introducing a bill that is an important part of the Urban Community-Building Initiative that I announced in March. The community schools demonstration will give every neighborhood a place and a support system for kids who need a safe place,

a library, a quiet room, a gym, or a mentor.

One of the great outrages of our cities is that the one public building that is part of every neighborhood and every family's life—the school—bolts its doors tight every afternoon at 3:30 or 4:00 and every Friday for 48 hours. During that time, kids whose parents are not home often have no safe place to go and no one to help them with homework, sports, or the basic questions about growing up. The dedicated people of the community, who want to be a part of raising the community's children, have no place to come together and help. But if we look at what a few dedicated people have done, we can find an answer. In Newark, NJ, it is the Boys and Girls Club of Newark. In East Orange, NJ, a local YMCA is transforming itself into a safe haven for young people after school. And in Washington, DC, it is a former executive named Kent Amos, who gave up his career to give his full attention to the 50 or more kids who come to his home every afternoon for help with homework and other activities.

Meanwhile, the school buildings, with their gyms and libraries, their nurses offices and auditoriums, are shuttered. Community schools will provide basic funds to open the schools after hours for purposes the community chooses. It might be a safe place for homework, or an athletic program, or a parenting program for young mothers. Kids need two things during their free time: a place and a mentor. This bill will give both, in communities where there is the kind of commitment that Kent Amos and others have demonstrated in Washington, DC. But now a caring community can affect hundreds of thousands of kids not just 50.

I also want to use community schools as an example of how the programs in my Urban Community-Building Initiatives are interconnected. For example, if the community wanted to use a school for some new purpose, such as a drama program, but they needed repairs and new facilities, a Neighborhood Reconstruction Corps could do the work. If the community wanted to use the school for an entrepreneurship training program for high school students, maybe even to start a small business based in the school building, they could combine community schools with the entrepreneurship training component of this package. Communities that can address more than one of the leverage points of conversion at a time will see the impact multiply as expectations and results build on one another in a positive direction.

I also want to say a few words about how we plan to pay for this program, and I particularly want to thank Senator DANFORTH and Senator COHEN and their staffs for thinking in great detail about how we can do this without add-

ing to the deficit. It is our hope that we can incorporate community schools into the Community Partnerships Against Crime [COMPAC] Program, which the President has proposed as an expanded successor to the drug elimination grants for public housing. I believe that the President and Secretary Cisneros are moving in the right direction by proposing to expand COMPAC to encompass initiatives that originate in community-based organizations. This is exactly the kind of program that an expanded COMPAC should encourage. But since the expanded COMPAC has not yet been authorized, we do not want to propose taking scarce funds from the existing drug elimination grants, which my colleague from New Jersey, Senator LAUTENBERG, was so instrumental in developing.

Thus, the bill we introduce today authorizes community schools as a free-standing program within HUD, at \$15 million, and also makes community schools an eligible activity under the drug elimination grants, without a specific set-aside. We expect to work closely with the President and Secretary Cisneros, who share our goals, to ensure that the COMPAC legislation, or another HUD initiative such as the unfunded authorization for cities in schools, will not only include community schools, but also ensure adequate funding. In this context, any new spending will be offset by reforms or consolidation of other HUD programs. I am very optimistic that the broad bipartisan support for this legislation will guarantee that it will move quickly to become a reality for the young people in our most troubled communities.•

• Mr. CHAFEE, Mr. President, I am pleased to join my distinguished colleagues, Senators DANFORTH and BRADLEY, in introducing the Community Schools Act of 1993. I also want to commend Senator COHEN for the excellent contribution he has made in developing this initiative.

Each of us in this body can cite examples of community-based organizations in his or her State responding to the needs of inner city youngsters with innovative programs and services aimed at improving academic success, workforce readiness, or simply providing recreational refuge from the hazards and temptations of the street.

This bill recognizes the success grassroots, community-based programs are having and provides important, though modest, assistance to help them multiply. Experience tells us that these programs—particularly when linked to the schools—are filling a critical void for at-risk youngsters. Given the growth of single parent households, and those where both parents must work to make ends meet, community schools is an idea whose time has come.

In my own State of Rhode Island, Providence Summerbridge—a concept begun in California—is entering its second successful year. This 6-week summer school program for middle-schoolers is taught entirely by dedicated high school and college students. The curriculum of the program, based at the Wheeler School, is designed to help promising students prepare for successful high school and college experiences. This summer, 38 faculty members will serve 92 students, ensuring a lot of individualized attention.

Providence Summerbridge was launched by two enterprising graduates from Brown University who manage the program on a full-time basis. The program is free to qualifying students, and teachers are paid a modest stipend through support from a variety of private, nonprofit educational foundations and funds.

Volunteers in Providence Schools is another success story. Based primarily in the city's 35 public schools, the program's 700 volunteers and small administrative staff offer a variety of activities and services. These include tutoring for K-12; community learning centers to assist middle-schoolers with homework assignments; family literacy centers for pre-schoolers and their parents; teen pregnancy and parenting assistance; and specialized writing and science outreach initiatives. The program receives Federal chapter 1 funding, assistance from the city and State, as well as private nonprofit and individual contributions.

The Community Schools Act will provide yet another source of funding, through demonstration grants administered by HUD, to help launch more community-based programs—like the excellent Summerbridge and volunteer programs we are fortunate to have in Providence.

Importantly, this legislation seeks to make public schools the primary, though not exclusive, focus for these programs. Why not maximize the use of underutilized public school facilities by making them accessible to communities for before- and after-school programs, recreational and other supervised activities?

I want to echo the concerns of my colleagues about the funding issue. Reducing the deficit is of paramount concern, and new spending—regardless of the merits—is difficult to justify. Thus, the bill makes community school demonstration grants an eligible activity under the existing drug elimination grants program. Moreover, I am encouraged by HUD Secretary Cisneros' intention to include community schools in the administration's Community Partnership Against Crime [COMPAC] Initiative, now being developed as a successor to the drug elimination grants program. I understand that community schools is also now included in the administration's National Service Initiative.

Mr. President, we need every tool we can muster to ensure that at-risk youngsters do not fall through the cracks, and building upon the successes of community-based programs with this legislation is a positive step in that direction. •

By Mr. LAUTENBERG:

S. 1139. A bill to provide for reform of environmental contracting, and for other purposes; to the Committee on Governmental Affairs.

RESPONSIBLE ENVIRONMENTAL MANAGEMENT
ACT OF 1993

• Mr. LAUTENBERG. Mr. President, today I am introducing legislation that will enhance contract management reform at the Environmental Protection Agency and will help rid the government of fraud, waste and abuse. I have been very concerned about these issues for the past several years, particularly in the Superfund Program. Because of recent findings revealed to the Senate Superfund Subcommittee, which I chair, and strong evidence that the problems of contract management affect every program at EPA, I am today introducing the Responsible Environmental Management Act of 1993, to restore accountability to EPA's management of billions of dollars of contracts.

When I became chairman of the Senate Superfund Subcommittee in 1987, I immediately began efforts to improve the management of the Superfund Program. In 1989, the subcommittee issued a comprehensive report and held hearings criticizing the Reagan-Bush administration's management of the Superfund Program. In that report, we raised numerous concerns about EPA's handling of its outside contractors. Unfortunately, despite consistent prodding by Congress and internal Agency watchdogs, virtually nothing was done by EPA.

In 1991, in the face of continuing evidence of the problem, I asked the GAO to undertake a tough audit to investigate the Superfund alternative remedial contracting strategy, or ARCS contractors, and also get to the bottom of allegations that the taxpayers were penalized for expenses because of sloppy accounting by contractors and careless management by EPA. Earlier this month at a hearing before my Superfund Subcommittee, the GAO released the results of that investigation requested by myself, Senator PRYOR and Congressman DINGELL. The report shows recurring, deep-seated problems with the management of EPA's outside contractors—contractors who perform billions of dollars worth of Superfund cleanups.

Unfortunately, this latest GAO report is not unique. Over the past 10 years, GAO and the EPA inspector general have conducted many investigations and issued numerous reports and audits criticizing the agency's mismanagement of its contracts. Signifi-

cantly, the GAO and the IG have found these problems to be pervasive throughout the agency; they are not confined to just the Superfund Program. They involve a wide range of procurement issues, including the performance of inherently governmental functions by contractors, the existence of organizational conflicts of interest, and the payment of unallowable costs to contractors.

Many of the problems have arisen because of EPA's heavy use of long-term umbrella contracts. These level-of-effort mission-oriented contracts are used by the agency to support its activities in a variety of ways, and therefore are written in very vague terms; i.e., overly broad statement of work, no firm requirements or deadlines, unspecified tasks and pricing mechanisms. Furthermore, contractors tend to burrow in once the Agency gets dependent on them, so that follow-on procurements are not competitive.

In addition to these contract management problems, the inspector general has uncovered serious problems in EPA's accounting for Superfund dollars and its reporting of information critical to the operation of the Superfund Program. These include apparently intentional, fraudulent misreporting of Superfund information by EPA personnel in a draft report to Congress and a \$1.4 billion discrepancy between EPA's data bases containing financial information on Superfund.

Some initial steps were taken last year by outgoing Administrator Reilly to address what was admittedly a pervasive, cultural problem of mismanagement at EPA. More recently, Administrator Browner has taken concrete steps to restore accountability to the EPA's handling of taxpayer and corporate dollars. And President Clinton has acknowledged the problem of mismanagement generally throughout the Government and appointed Vice President GORE to undertake the National Performance Review, with its comprehensive examination of how the Federal Government does business. A major part of that review deals with the contract and fiscal management of the Government. I applaud the administration for so quickly recognizing and grappling with these long-festering issues.

But the severity of the management problems at EPA—and indeed at many Federal agencies—will require more than internal administrative action, and I do not believe we should wait for the end of the administration's review to begin remedying the problems we know about right now.

For this reason, I am introducing this legislation today to restore accountability and proper management of contractors by EPA. My legislation, the Responsible Environmental Management Act of 1993, requires changes

in the way EPA does business and increases penalties for those who break the law.

My bill addresses several major problems identified with EPA's contract management problems. First, it establishes administrative and judicial civil penalties that can be assessed against contractors who charge the Government for unallowable, illegal costs, like parties, presents, and recreation. It also requires better documentation to justify expenditures for certain types of items, such as contractor travel, where there has been a demonstrated potential for inflated bills.

Second, my bill requires EPA to cut back on its use of the huge, umbrella contracts which authorize hundreds of millions of dollars of work under vague terms. It is these kinds of contracts that have been most subject to abuse and mismanagement at the agency in Superfund and other program offices.

Third, the bill creates a new position designated as the Deputy Assistant Administrator for Information Systems Coordination. This high level official is charged with ensuring that the agency's information systems truly support the agency's missions and goals by making needed data available in an accurate, reliable, and cost-effective manner. This will include integrating, streamlining, and making consistent the approximately 500 different EPA computer systems so that managers of any program—not just Superfund—can rely on basic management data that is not available to the agency's decisionmakers right now.

Finally, the bill establishes a new Office of Superfund Contract Integrity to ensure that contracts under this program are effectively managed and are kept free of the acute problems identified in the past by the inspector general and the GAO. The Superfund Program utilizes contractors extensively for support services in conducting cleanup activities, and accounts for a disproportionately large amount of EPA's total contract dollars spent each year. For these reasons, it is critical that the Superfund Program be a model for the rest of the agency and the Federal Government regarding contract management performance. We will all be able to monitor the agency's progress on these issues through an annual report to Congress required by this bill.

My bill is similar in many respects to legislation being developed by Congressman CONYERS. It also expands the approach taken by the Senate bill elevating EPA to Cabinet level, which addresses inherently governmental functions and conflict of interest problems. Senators GLENN and PRYOR and Congressmen CONYERS and DINGELL have devoted a great deal of time and effort during the past few years to contract management problems in the Government. Their initiatives have disclosed

a fundamental culture of mismanagement at EPA that cuts across all its programs and affects every one of its missions, and shows years of neglect of the most basic management principles by that agency as well as other agencies throughout the Federal Government. I look forward to working closely with my distinguished colleagues on this legislation, and on related legislation that can look beyond EPA to reform the contract and information management systems at other Federal agencies.

Mr. President, I believe my legislation is urgently needed to deal with the pervasive problems at the Environmental Protection Agency so that it carries out its environmental protection mission consistent with sound fiscal and contract management practices. As we strive to bring the Federal deficit problem under control, EPA must do its part to ensure that taxpayer dollars are being spent in the most efficient and responsible manner possible.

Finally, I ask unanimous consent to print in the RECORD a brief section-by-section analysis of the legislation and a copy of the bill itself.

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

S. 1139

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Responsible Environmental Management Act of 1993".

SEC. 2. FINDINGS.

(a) FINDINGS.—Congress finds that—

(1) the Environmental Protection Agency relies heavily on outside contractors to provide necessary support services throughout all of the program offices of the Agency in order to achieve the environmental protection mission of the Agency;

(2) numerous audits and reports by the Inspector General of the Agency and the General Accounting Office over the 10-year period preceding the date of enactment of this Act have uncovered pervasive problems of mismanagement of the contract, fiscal, and information systems programs of the Agency;

(3) the contract mismanagement problems of the Agency have led to improper conflicts of interest, performance of personal services and inherently governmental functions by contractors, and large-scale waste, fraud, and abuse; and

(4) the fiscal and information systems mismanagement problems of the Agency have potentially cost taxpayers hundreds of millions of dollars and have crippled the ability of the Agency to make sound, reasoned, and informed decisions about the appropriate conduct of the environmental protection programs of the Agency.

(b) PURPOSES.—The purposes of this Act are to—

(1) provide better accountability within the Agency in order to improve the management of the contract, fiscal, and information systems programs of the Agency; and

(2) increase sanctions on contractors who seek reimbursement for unallowable costs.

SEC. 3. DEFINITIONS.

As used in this Act:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of the Environmental Protection Agency.

(2) ADVISORY AND ASSISTANCE SERVICES.—The term "advisory and assistance services"—

(A) means services to support or improve—

(i) agency policy development, decision-making, management, and administration; or

(ii) the operation of management systems; and

(B) includes—

(i) management and professional support services;

(ii) the conduct of studies, analyses, and evaluations; and

(iii) engineering and technical services.

(3) AGENCY.—The term "Agency" means the Environmental Protection Agency.

(4) COVERED CONTRACT.—The term "covered contract" means a contract for an amount in excess of \$1,000,000, other than a fixed-price contract without cost incentives, entered into by the Agency.

(5) RESPONSE ACTION CONTRACT.—The term "response action contract" has the meaning provided in section 119(e)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9619(e)(1)).

(6) UMBRELLA CONTRACT.—The term "umbrella contract" means a contract by the appropriate official of the Agency that—

(A) provides for the performance of specific advisory and assistance services;

(B) does not procure or specify a firm quantity of services;

(C) provides for services to be supplied to the Federal Government in response to specific task orders to the contractor from the Federal Government;

(D) requires the contractor to provide a stated amount of effort over a given period of time (commonly referred to as a "level of effort contract");

(E) has a maximum potential value, including any options, of at least \$1,000,000; and

(F) has a maximum potential period of performance, including any options, that is longer than 1 year.

SEC. 4. CONTRACT COSTS.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.) is amended by adding at the end the following new section:

"SEC. 29. INDIRECT COSTS UNDER ENVIRONMENTAL PROTECTION AGENCY CONTRACTS.

"(a) DEFINITION.—As used in this section, the term 'covered contract' means an Environmental Protection Agency contract for an amount in excess of \$1,000,000, other than a fixed-price contract without cost incentives.

"(b) COSTS DISALLOWED.—If—

"(1) a contractor under a covered contract submits a proposal for settlement of indirect costs incurred by the contractor for any period beginning after the costs have been accrued; and

"(2) the proposal includes the submission of a cost that is unallowable because the cost is in violation of—

"(A) a cost principle in the Federal Acquisition Regulation promulgated under section 25 or in the Environmental Protection Agency supplement to the Federal Acquisition Regulation, or

"(B) any other provision of law, the cost shall be disallowed.

"(c) ADMINISTRATIVE PENALTIES.—

"(1) UNALLOWABLE COSTS IN SETTLEMENT PROPOSALS.—

"(A) IN GENERAL.—If the Administrator determines that a cost submitted by a contractor under a covered contract in the proposal of the contractor for settlement is expressly unallowable under a cost principle referred to in subsection (b)(2)(A) that defines the allowability of specific selected costs, the Administrator of the Environmental Protection Agency may assess a penalty against the contractor in an amount equal to the amount of the disallowed cost allocated to covered contracts for which a proposal for settlement of indirect costs has been submitted, plus interest to compensate the United States for the use of any funds that the contractor has claimed in excess of the amount to which the contractor was entitled.

"(B) INCREASED PENALTY.—If the Administrator of the Environmental Protection Agency determines that a proposal for settlement of indirect costs submitted by a contractor under a covered contract includes a cost determined to be unallowable in the case of the contractor before the submission of the proposal, the Administrator may assess a penalty against the contractor in an amount not to exceed twice the amount of the disallowed cost allocated to covered contracts for which a proposal for settlement of indirect costs has been submitted, plus interest to compensate the United States for the use of any funds that the contractor has claimed in excess of the amount to which the contractor was entitled.

"(2) INTERIM CLAIM PENALTY.—If, before completing performance of a covered contract, the contractor submits for payment allocated to the contract an unallowable cost that is described in subsection (e) and that would provide a basis for penalizing the contractor under paragraph (1) if it were submitted in a proposal for settlement of indirect costs, the Administrator may assess a penalty against the contractor in the amount of \$50,000.

"(3) LIABILITY.—A person who has been assessed a penalty under paragraph (1)(A) shall not be liable for a penalty under paragraph (1)(B) for the same unallowable cost. A person who has been assessed a penalty under paragraph (1)(B) shall not be liable for a penalty under paragraph (1)(A) for the same unallowable cost. A person who has been assessed a penalty under paragraph (2) shall not be liable for a penalty under paragraph (1) for the same unallowable cost. A person who has been assessed a penalty under paragraph (1) for an unallowable cost that is described in subsection (e) may be liable for a penalty under paragraph (2) for the same unallowable cost.

"(4) PROCEDURES.—

"(A) NOTICE.—Before assessing a penalty under paragraph (2), the Administrator shall give the contractor written notice of the proposed penalty and an opportunity to request, during the 30-day period beginning on the date notice is received by the contractor, a hearing on the proposed penalty assessment. The hearing shall not be subject to section 554 or 556 of title 5, United States Code, but shall provide the contractor a reasonable opportunity to be heard and to present evidence.

"(B) HEARINGS.—The Administrator may issue rules governing discovery procedures for hearings conducted pursuant to this paragraph.

"(d) CALCULATION OF PENALTIES AND INTEREST.—

"(1) PENALTIES.—In determining the appropriate amount of a penalty under subsection (c), the Administrator may consider—

"(A) whether the contractor withdraws a proposal before the formal initiation of an

audit of the proposal by the Federal Government and submits a revised proposal that does not contain any cost that provides a basis for penalizing the contractor under subsection (c);

"(B) whether the amount of unallowable costs that provide a basis for penalizing the contractor is insignificant;

"(C) whether the contractor demonstrates, to the satisfaction of the Administrator, that—

"(i) the contractor has established policies, a personnel training program, and an internal control and review system that ensures that proposals for settlement of indirect costs of the contractor do not include unallowable costs that provide a basis for penalizing the contractor under subsection (c); and

"(ii) the unallowable costs that provide a basis for penalizing the contractor under subsection (c) were inadvertently included in the proposal; and

"(D) any previous instances with respect to which the contractor has submitted claims for unallowable costs under any contract with the Environmental Protection Agency.

"(2) INTEREST.—Interest with respect to unallowable costs claimed by a contractor shall be computed from the first day of the contractor's fiscal year in which the costs were incurred.

"(e) COSTS SPECIFICALLY UNALLOWABLE.—The following costs are not allowable costs under a covered contract:

"(1) Any cost of entertainment, a gift, or recreation for an employee of the contractor or a member of the family of the contractor provided by the contractor to improve employee morale or performance, or for any other purpose, in any amount, except that nothing in this section precludes a contractor from providing the entertainment, gift, or recreation at no expense to the Federal Government.

"(2) Any cost of travel, unless—

"(A) the cost is allowable under section 24; and

"(B) the cost is supported by detailed documentation, including documentation with respect to—

"(i) the amount, time, date, origin, and destination of the travel and the purpose of the travel; and

"(ii) with respect to each traveler, the identity of the traveler and the title or relationship of the traveler to the contractor.

"(f) ACTIONS BY THE ADMINISTRATOR.—An action of the Administrator under subsection (b) or (c) shall be considered a final decision for purposes of section 6 of the Contract Disputes Act of 1978 (41 U.S.C. 605) and shall be appealable in the manner provided in section 7 of such Act (41 U.S.C. 606).

"(g) CERTIFICATION.—

"(1) IN GENERAL.—A proposal for settlement of indirect costs applicable to a covered contract shall include a certification by an official of the contractor that, to the best of the knowledge of the certifying official, all indirect costs included in the proposal are allowable.

"(2) WAIVER OF CERTIFICATION REQUIREMENT.—In any case in which the Administrator of the Environmental Protection Agency determines that there are exceptional circumstances with respect to a covered contract, the Administrator may waive the requirement for certification under paragraph (1) if the Administrator—

"(A) determines that it would be in the interest of the United States to waive the determination; and

"(B) states in writing the reasons for the determination and makes the determination available to the public.

"(h) JUDICIAL ASSESSMENT.—

"(1) IN GENERAL.—If a proposal for settlement of indirect costs submitted by a contractor under a covered contract includes a cost determined by the Administrator to be unallowable, the Administrator may request the Attorney General to bring an action in the United States district court for the appropriate district. In any such case, the district court may assess a penalty in an amount not to exceed \$250,000 for each cost determined by the Administrator to be unallowable.

"(2) LIABILITY.—A person who has been assessed an administrative penalty under subsection (c) shall not be liable for a civil penalty under this subsection for the same unallowable cost.

"(i) CRIMINAL PENALTIES.—A person who with the knowledge that a cost that is expressly specified as unallowable by law (including any regulation) submits to the Environmental Protection Agency a proposal for settlement of costs for any period beginning after the costs have been accrued that includes the cost shall be subject to section 287 of title 18, United States Code, and section 3729 of title 31, United States Code.

"(j) BURDEN OF PROOF IN PROCEEDINGS.—In a proceeding before a board of contract appeals, the United States Court of Federal Claims, or any other court of the United States in which the allowability of indirect costs for which a contractor seeks reimbursement from the Environmental Protection Agency is in issue, the burden of proof shall be upon the contractor to establish that the costs are allowable.

"(k) DOCUMENTATION OF COSTS.—For the purposes of this section, costs shall be allowable only to the extent that the costs are supported by sufficient documentation to permit an appropriate audit."

SEC. 5. UMBRELLA CONTRACTS FOR ADVISORY AND ASSISTANCE SERVICES.

(a) LIMITATION ON ENTERING UMBRELLA CONTRACT.—The appropriate official of the Agency may enter into an umbrella contract only under the following conditions:

(1) The period covered by the contract, including any options, does not exceed—

(A) 5 years;

(B) in the case of a response action contract, 10 years; or

(C) such longer period as may be specified by the Administrator if the Administrator determines that unusual and compelling circumstances justify an umbrella contract for a longer period.

(2) The contract is awarded pursuant to competitive procedures, as defined in section 309(b) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 259(b)), except for procedures described in paragraphs (2), (3), and (5) of such section, unless the Administrator determines in writing that—

(A) the services to be procured under the contract are available from only one responsible source and no other type of services will satisfy the needs of the Agency; or

(B) the need of the Agency for the services to be provided under the contract is of such an unusual and compelling urgency that the Federal Government would be seriously injured unless the Administrator is permitted to limit the number of sources from which the Administrator solicits bids or proposals.

(3) The contract does not authorize the contractor to procure items on behalf of the Federal Government, other than items that

are procured under response action contracts referred to in paragraph (1)(B) for the performance of the contract and all right, title, and interest in the items vests in the Federal Government.

(b) PROHIBITION OF CONTRACT SHOPPING.—

(1) LIMITATION.—A task order may be made under an umbrella contract awarded by the appropriate official of the Agency only to carry out the mission of the office, function, or program of the appropriate official of the Agency that requested the umbrella contract.

(2) WAIVER.—The Administrator (or a designee who is an officer of the Agency at or above the level of the senior procurement executive of the Agency designated pursuant to section 16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3)) may waive the application of the limitation described in paragraph (1) to a task order if the Administrator (or a designee) determines in writing that—

(A) the task order is within the scope of the umbrella contract;

(B) there is an identifiable emergency or other urgent requirement that cannot be met by other means; and

(C) there is no other contract available to the appropriate official of the office seeking the waiver that is suitable for the task order.

(3) APPLICATION.—Paragraphs (1) and (2) do not apply to any contract that the Administrator designates, before the award of the contract, as being available for procurement with respect to more than one office, function, or program of the Agency.

(c) FOLLOW-ON COMPETITION.—Each statement of work in an umbrella contract awarded by the appropriate official of the Agency shall be drafted in such manner as to ensure full and open competition (as defined in section 4(6) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(6)) of the contract that results from, completes, or supplements the work performed under the umbrella contract.

(d) SUBCONTRACTORS.—

(1) IDENTIFICATION OF SUBCONTRACTORS.—Except in the case of a response action contract, any solicitation for an umbrella contract awarded by the appropriate official of the Agency shall require that each offeror identify in each proposal all prospective subcontractors and the qualifications of the subcontractors.

(2) RESTRICTION ON ELIGIBILITY FOR SUBCONTRACTS.—A person who is not identified as a prospective contractor in accordance with paragraph (1) by the prime contractor for an umbrella contract awarded by the appropriate official of the Agency shall not be eligible to perform any task order as a subcontractor under the umbrella contract.

(3) WAIVER.—

(A) IN GENERAL.—The Administrator (or a designee who is an officer of the Agency at or above the level of the senior procurement executive of the Agency designated pursuant to section 16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3)) may waive the application of the restriction described in paragraph (2) to a task order if the Administrator (or a designee) determines in writing that because of unusual circumstances with respect to the contract the waiver is in the interest of the Federal Government.

(B) UNUSUAL CIRCUMSTANCES DEFINED.—As used in subparagraph (A), the term "unusual circumstances" means—

(i) insolvency, nonresponsibility, suspension, or debarment of each subcontractor

identified pursuant to paragraph (1) that is qualified to perform a task order for which the waiver is granted;

(ii) a lack of any technical skills necessary to perform the task orders for which the waiver is granted, by each subcontractor identified pursuant to paragraph (1);

(iii) other circumstances similar to the circumstances referred to in clauses (i) and (ii); or

(iv) any unusual or compelling urgency determined by the Administrator as appropriate.

(4) COMPETITION.—In any case in which the Administrator or a designee of the Administrator grants a waiver under paragraph (3), the award by the prime contractor to the subcontractor of a subcontract to perform a task for which the waiver is granted shall be made on a competitive basis unless the written determination of the Administrator (or a designee) under paragraph (3)—

(A) approves a noncompetitive award; and

(B) includes a finding that—

(i) an emergency exists; or

(ii) no other qualified source is reasonably available.

(e) CONTRACT APPROVAL.—A contract for procurement under this section for goods or services (or both) in an amount that exceeds \$50,000,000 shall be approved only by the Administrator.

SEC. 6. INFORMATION SYSTEMS COORDINATION.

(a) ESTABLISHMENT.—The Administrator shall appoint a Deputy Assistant Administrator for Information Systems Coordination (referred to in this section as the "Deputy Assistant Administrator") to serve in the Office of Administration and Resources Management of the Agency. The Deputy Assistant Administrator shall report directly to the Assistant Administrator for Administration and Resources Management.

(b) DUTIES OF THE DEPUTY ASSISTANT ADMINISTRATOR.—At a minimum, the Deputy Assistant Administrator shall carry out the following duties and responsibilities:

(1) Ensure that the information systems of the Agency are efficiently and effectively managed and coordinated to achieve the goals and accomplish the missions of the Agency.

(2) Ensure that the information systems of the Agency are designed and operated to provide for accurate and complete reporting and evaluation of accomplishments and efforts of programs of the Agency.

(3) Ensure that the information systems of the Agency are designed, acquired, and managed in the most cost-effective manner practicable, and are made consistent with all applicable laws, including section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759).

(4) Ensure, in coordination with the Chief Financial Officer of the Agency, that the information systems of the Agency compile and provide for all Agency programs—

(A) accurate, reliable, and complete financial statements; and

(B) other financial, accounting, asset management and related program performance data.

(5) Maximize the effectiveness of the information systems capabilities of the Agency by—

(A) developing and issuing appropriate policies and guidelines;

(B) providing frequent and comprehensive training opportunities for management and staff level employees; and

(C) assisting and advising senior officials within the Agency concerning properly managing information systems programs to the fullest capabilities of the systems.

(6) Develop and implement appropriate measures to encourage efficiency and improvements in information systems management within the Agency.

SEC. 7. OFFICE OF SUPERFUND CONTRACT INTEGRITY.

(a) ESTABLISHMENT.—The Administrator shall establish within the Office of Solid Waste and Emergency Response of the Environmental Protection Agency an Office of Superfund Contract Integrity (referred to in this section as the "Office"). The Office shall be headed by a Director. The Director shall report directly to the Assistant Administrator for Solid Waste and Emergency Response.

(b) DUTIES OF THE DIRECTOR.—At a minimum, the Director shall carry out the following duties and responsibilities:

(1) Ensure that contracts made by the Agency relating to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) (referred to in this section as "Superfund contracts") are effectively managed by the Agency, in particular with regard to—

(A) ensuring program management costs are kept to a minimum;

(B) eliminating unnecessary excess contractor capacity;

(C) controlling the charging, reviewing, and payment of direct and indirect contractor costs;

(D) monitoring costs incurred to ensure the allowability, allocability, and reasonableness of costs claimed and the integrity of contract implementation;

(E) incorporating sufficiently detailed work specifications;

(F) overseeing contractor performance in accordance with specific, objective standards and criteria;

(G) implementing incentives to identify and prevent waste, fraud, and abuse; and

(H) initiating other appropriate mechanisms to improve the management accountability of the Agency and enhance the quality and cost effectiveness of functions contracted for outside the Agency.

(2) Ensure that inherently governmental functions critical to the operation of the Agency are not performed by persons who enter into Superfund contracts (referred to in this section as "Superfund contractors"), and determine whether functions that are not inherently governmental in nature should nevertheless be performed by the Agency rather than Superfund contractors.

(3) Ensure that personal services are not improperly provided by Superfund contractors.

(4) Ensure that Superfund contractors do not have unauthorized access to confidential business or other sensitive information.

(5) Ensure that the Agency is adequately protected against Superfund contractor conflicts of interest.

(c) REPORT.—

(1) IN GENERAL.—Not later than January 1, 1995, and annually thereafter, the Assistant Administrator for Solid Waste and Emergency Response shall transmit to the Committee on Environment and Public Works and the Committee on Governmental Affairs of the Senate, and the Committee on Energy and Commerce and the Committee on Government Operations of the House of Representatives, a report for the preceding fiscal year that identifies specific measures and actions taken to monitor and carry out each of the duties and responsibilities listed in subsection (b).

(2) CONTENTS OF REPORT.—The report shall—

(A) identify any audits, reports, or investigations completed by the Office of Inspector General of the Agency during the preceding fiscal year, including the annual audit conducted pursuant to section 111(k) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9611(k)), that address in any way issues related to Superfund contract management;

(B) describe the concrete steps taken and the progress made by the Agency to resolve any issues and recommendations identified by the Office of Inspector General of the Agency under the audits, reports, or investigations referred to in subparagraph (A); and

(C) identify initiatives taken and results achieved during the preceding fiscal year to improve the overall quality of Superfund contract management by the Agency.

SEC. 8. EFFECTIVE DATES; LIMITATIONS ON APPLICATION OF AMENDMENTS.

(a) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), this Act and the amendments made by this Act shall become effective on the date that is 180 days after the date of enactment of this Act.

(2) REGULATIONS.—Section 9 shall become effective on the date of enactment of this Act.

(b) LIMITATION ON APPLICATION.—This Act and the amendments made by this Act shall not apply to a contract entered into before the effective date specified in subsection (a)(1), except with respect to—

(1) a task added on or after the effective date to a contract entered into before the effective date;

(2) an order made on or after the effective date under a contract entered into before the effective date; and

(3) a contract that is extended, or for which an option to renew is exercised, on or after the effective date.

SEC. 9. REGULATIONS.

Not later than 120 days after the date of enactment of this Act, the Administrator shall promulgate regulations to implement this Act and the amendments made by this Act in final form. The regulations shall be consistent with section 25 of the Office of Federal Procurement Policy Act (41 U.S.C. 421).

SECTION-BY-SECTION ANALYSIS

This Act, to be known as the Responsible Environmental Management Act of 1993, is designed to restore accountability and proper management of contractors by EPA and increases penalties for contractors seeking to be reimbursed for unallowable costs.

Section 1 provides the short title for the Act.

Section 2 contains Congressional findings and objectives that describe the need for this legislation. In particular, excessive reliance by the Environmental Protection Agency on outside contractors to provide support services throughout the Agency's environmental protection programs has created opportunities for fraud, waste and abuse. The Agency's mismanagement of its contract, fiscal and information systems programs has been documented in numerous audits and reports by the Agency's Inspector General and the General Accounting Office during the past several years. Despite recent administrative efforts to address some of the pervasive problems in this area, EPA continues to have serious management deficiencies that could lead to potentially millions of wasted taxpayers dollars.

Section 3 defines the key terms used in the legislation. These include the term "umbrella contract" which refers to contracts that authorize billions of dollars of work under vague terms and that have been most subject to abuse.

Section 4 addresses the issue of unallowable indirect costs and requires contractors to certify to the Agency that claims submitted to EPA do not contain unallowable expenses. This provision applies to "covered contracts" defined to be those valued at \$1,000,000 or more. Unallowable costs include items such as expenses for travel, political contributions, sporting events, and other entertainment. This section also requires better documentation to justify expenditures in areas such as contractor travel, where there has been a demonstrated potential for inflated bills.

Section 4 also provides for administrative penalties of up to \$50,000 or twice the value of the unallowable cost claimed by a contractor. This section also provides for judicial assessment of penalties of up to \$250,000 for each unallowable cost charged to the Agency, and subjects contractors to criminal penalties in egregious circumstances.

Section 5 places restrictions on the Agency's use of "umbrella contracts" which typically are large, level of effort advisory and assistance contracts. Except for Superfund response action contracts, the bill restricts these kinds of contracts to five-year terms in normal circumstances, unless the Administrator determines a longer term is essential to the performance of the Agency's mission. In addition, an umbrella contract entered into for a specific program office (for example, the Office of Water) will not be available for use in normal circumstances by another program office (for example, the Office of Solid Waste and Emergency Response) within the Agency. In exigent circumstances, this limitation could be waived by the Administrator.

This section also addresses the lack of full and open competition that often results from vague statements of work frequently contained in umbrella contracts. Subsection (c) requires the Agency to prepare and incorporate definite statements of work in all future umbrella contracts. Furthermore, to ensure high level review and management of these contracts, this section requires the Administrator personally to approve umbrella contracts worth more than \$50 million.

Section 6 requires the Agency to create a new position at the Deputy Assistant Administrator level to coordinate EPA's information systems programs and ensure they are managed efficiently and effectively to best support the environmental protection missions of the Agency. In particular, recent activities by the EPA Inspector General have identified deficiencies in the way achievements in the Superfund and other programs are identified and monitored, and have shown that the Agency is not adequately keeping track of financial information that could have very significant consequences in Superfund cost recovery efforts. The new senior level official will be responsible for information systems across all the Agency's programs.

Section 7 requires the Agency to create a new position in the Office of Solid Waste and Emergency Response to ensure Superfund contract management integrity. Both the General Accounting Office and the EPA Inspector General have identified significant problems with the Agency's contract management practices generally, and specifically in the operation of the Superfund program.

While the Agency recently has begun to address these problems, this legislation establishes greater accountability for proper contract management in the Superfund program, which relies heavily on contractors in carrying out its activities. The Director of the new Office of Superfund Contract Integrity will be responsible for ensuring Superfund-related contracts are managed within the letter and spirit of the law. In addition, the Assistant Administrator for Solid Waste and Emergency Response will be required to prepare an annual report to Congress that describes concrete measures taken by the Agency to address any identified problems with Superfund contract management.

Section 8 contains provisions addressing the effective date of the legislation and limitations on the applicability of the provisions of the bill to contracts entered into before the date of enactment.

Finally, section 9 authorizes the Administrator to issue regulations needed to implement this bill, and requires their promulgation within 120 days of enactment.●

By Mr. KERRY (for himself and Mr. KENNEDY):

S. 1140. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for fees for sewer and water services to the extent such fees exceed 1 percent of adjusted gross income, and to offset the cost of such deduction by disallowing the deduction for amounts paid pursuant to settlements and for compensatory damages under certain environmental laws; to the Committee on Finance.

SEWER AND WATER FEE DEDUCTIBILITY ACT OF 1993

Mr. KERRY. Mr. President, today, I am joined by the senior Senator from Massachusetts in introducing legislation that would help ease the burden of soaring water and sewer rates that are the outgrowth of Federal mandates under the National Clean Water Laws. Our legislation would assist low- and middle-income homeowners in Massachusetts and throughout the country by allowing an income tax deduction for user fees for water and sewer services. In addition, this legislation will offset that tax relief by eliminating the tax deduction currently available to corporations which make settlements with the Federal Government for environmental damages. By removing the tax break for these environmental bad actors and extending one instead to the beleaguered middle-class homeowner who is paying the costs of cleaning up our polluted waterways, this legislation would bring about tax fairness while it would promote a cleaner environment. A companion bill has been introduced in the House by our colleague Congressman GERRY STUDDS who provided important leadership in developing this legislation. He was joined by a bipartisan coalition of 21 other Members from across the country.

Many communities across the country are faced with the cleanup efforts such as those found across my State of

Massachusetts in communities like New Bedford, Springfield, and Lowell. Massachusetts has over 200 communities in need of new or improved water and sewer systems which most likely will mean increased water and sewer rates. Many of these efforts will be undertaken because of Federal mandates.

Possibly the most dramatic example is in the Massachusetts Water Resources Authority District where water and sewer rates are between \$500-\$600 per year and projected to grow to \$1,200 by the end of the decade. These rates are far higher than in other areas of the country and, in fact, may be the highest in the Nation.

For the past several years, our delegation has been working hard to bring assistance to the thousands of citizens across Massachusetts that face enormous burdens from drastically increasing sewer and water rates. Earlier this year, I was joined by Senator KENNEDY in introducing legislation to authorize \$1 billion of Federal aid for the federally mandated cleanup of Boston Harbor, and members of the House delegation have introduced a companion bill. In addition, we have worked and are continuing to work closely with the Clinton administration to increase funding for the State revolving fund program which provides loans to communities for infrastructure needs. And we will continue to work to encourage Massachusetts State Government to contribute its fair share of assistance to local communities for these efforts.

The efforts about which we speak today is just another avenue we will aggressively pursue to bring about fairness as we continue to work toward a stronger infrastructure and a cleaner environment.

This legislation will provide some assistance to citizens across the country who face extremely high water and sewer bills brought about by Federal requirements to meet national environmental goals for clean water but will provide this assistance without adding anything to the national debt. I urge my colleagues to support this legislation.

Mr. President, I ask unanimous consent that the text of the bill follow my remarks in the CONGRESSIONAL RECORD.

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

S. 1140

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Sewer and Water Fee Deductibility Act of 1993".

SEC. 2. DEDUCTION FOR LOCAL SEWER AND WATER FEES.

(a) IN GENERAL.—Subsections (b) of section 164 of the Internal Revenue Code of 1986 is amended by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively, and by inserting after paragraph (2) the following new paragraph:

"(3) DEDUCTION ALLOWED FOR LOCAL SEWER AND WATER FEES.—

"(A) IN GENERAL.—To the extent that the amount of local sewer and water fees paid or accrued during any taxable year exceeds 1 percent of adjusted gross income, such fees shall be allowed as a deduction under subsection (a) in the same manner as local real property taxes.

"(B) DEFINITION.—For purposes of subparagraph (A), the term 'local sewer and water fees' means any amount imposed by a local government, State government (or any agency or instrumentality thereof), or by the District of Columbia as a charge for sewer or water service. Such term shall not include any amount allowable as a deduction without regard to this paragraph."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1993.

SEC. 3. DENIAL OF DEDUCTION FOR PAYMENTS UNDER SETTLEMENT AGREEMENTS AND FOR COMPENSATORY DAMAGES UNDER CERTAIN ENVIRONMENTAL LAWS.

(A) GENERAL RULE.—Part IX of subchapter B of the Internal Revenue Code of 1986 (relating to certain items not deductible) is amended by adding at the end thereof the following new section:

SEC. 280I. DISALLOWANCE OF PAYMENTS UNDER SETTLEMENT AGREEMENTS AND FOR COMPENSATORY DAMAGES UNDER CERTAIN ENVIRONMENTAL LAWS.

"(a) GENERAL RULE.—No deduction shall be allowed for amounts paid—

"(1) to any agency of the United States pursuant to any environmental settlement,

"(2) for costs of activities carried out pursuant to any environmental settlement, or

"(3) to any person or government as a payment in the nature of compensatory damages relating to a violation or potential violation under any applicable environmental law.

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

"(1) ENVIRONMENTAL SETTLEMENT.—The term 'environmental settlement' means any settlement of a claim (or potential claim) of a violation of any provision of an applicable environmental law if the payment of any fine or penalty for such violation would not be allowed as a deduction under this chapter.

"(2) APPLICABLE ENVIRONMENTAL LAW.—The term 'applicable environmental law' means—

"(A) the Oil Pollution Act of 1990,

"(B) the Federal Water Pollution Control Act,

"(C) the Comprehensive Environmental Response, Compensation, and Liability Act of 1980,

"(D) the Solid Waste Disposal Act,

"(E) the Marine Protection, Research and Sanctuaries Act,

"(F) the Clean Air Act,

"(G) the Emergency Planning and Community Right-To-Know Act, and

"(H) the Toxic Substances Control Act.

"(3) SETTLEMENT.—The term 'settlement' includes any consent degree and any contractual understanding."

(b) PROHIBITION AGAINST OFFSET BY NET OPERATING LOSS DEDUCTION.—Section 172 of such Code is amended by redesignating subsection (i) as subsection (j) and by inserting after subsection (h) the following new subsection:

"(i) LIMITATION ON USE TO OFFSET DEDUCTIONS DISALLOWED UNDER SECTION 280I.—The deduction allowed under this section shall not reduce taxable income for any taxable year to an amount less than the amount disallowed under section 280I for such taxable

year. Appropriate adjustments in the application of subsection (b)(2) shall be made to take into account the provisions of this subsection."

(c) CLERICAL AMENDMENT.—The table of sections for part IX of subchapter B of chapter 1 of such Code is amended by adding at the end thereof the following new item:

"Sec. 280I. Disallowance of payments under settlement agreements and for compensatory damages under certain environmental laws."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid after the date of the enactment of this Act.

Mr. KENNEDY. Mr. President, I am pleased to join my colleague from Massachusetts, Senator KERRY, in introducing this legislation to help address the spiraling costs of compliance with Federal clean water laws. This is a national problem that is particularly burdensome in my State.

This legislation will help ease the burden on those with excessively high water and sewer bills relative to their income, by giving them a deduction on their Federal income tax for those expenses, just as they can now take for their property taxes. The cost of this provision will be offset by eliminating the tax deduction that corporations can take for their payments to settle environmental violations. The issue is simple fairness. Households struggling to meet their water and sewer bills deserve help more than major corporate polluters.

This proposal for tax relief is one step in our effort to help the large numbers of citizens in Massachusetts who are paying extraordinarily high water and sewer bills. We need more action at all levels to keep these rates down. The Boston Harbor project is threatening our ability to achieve economic recovery. It is an enormous burden on families and businesses alike. Some 2.5 million citizens in 61 communities in the Greater Boston area are reeling under the crushing weight of one of the largest and most costly public works projects in the Nation. Local ratepayers are currently and unfairly shouldering more than 90 percent of the cost.

This bill will complement the other efforts that are being pursued by our congressional delegation in coordination with State and local officials to address this enormous problem. The key elements of our multipronged approach include greater Federal assistance, greater State assistance, and a reevaluation of all components of the project to make sure they are cost-effective. Real questions are being raised for the first time about certain very expensive parts of the cleanup that are difficult to justify in terms of their environmental benefits. That process needs to continue.

In the meantime, I urge my colleagues to support this legislation to provide a measure of relief to families

and businesses that need and deserve help meeting our national clean water goals.

By Mr. ROCKEFELLER (for himself, Mr. GRAHAM, Mr. AKAKA, and Mr. MURKOWSKI):

S. 1141. A bill to amend chapter 17 of title 38, United States Code, to require the Secretary of Veterans Affairs to conduct a hospice care pilot program and to provide certain hospice care services to terminally ill veterans; to the Committee on Veterans' Affairs.

VETERANS' HOSPICE SERVICES ACT OF 1993

• Mr. ROCKEFELLER. Mr. President, as the Nation moves ever closer to national health care reform, the Department of Veterans Affairs is preparing to compete directly with non-VA providers as part of a national plan under which costs are controlled and coverage is expanded for all Americans. I believe VA will do well in this environment, because VA already operates within a fixed budget and offers our veterans a full continuum of care. Our task, now, is to ensure that VA expands and improves that wide array of valuable health care services.

It is in the spirit of strengthening our VA health care system that I am today introducing a bill that would require VA to conduct a hospice care pilot program to determine how best to provide hospice care services to terminally ill veterans. I am proud that Senators GRAHAM, AKAKA, and MURKOWSKI have joined with me as original cosponsors. As the number of veterans who are elderly or have terminal illnesses continues to grow, demand for VA hospice care is likely to increase. We must stay ahead of the surge and explore the ways to provide such care, so our veterans and their families will have the best choices available to them.

Our legislation builds upon S. 1358 of the 102d Congress which Senator GRAHAM introduced on June 24, 1991, and the Senate passed on October 16, 1991. Unfortunately, the House Committee on Veterans' Affairs did not act on our bill before the 102d Congress ended. Although VA has expanded and improved services furnished to terminally ill veterans over the past 2 years, it continues to fall short of the goals our committee envisioned when we reported S. 1358. Thus, we feel compelled to introduce the Veterans' Hospice Services Act of 1993 in hopes of gaining final passage of legislation that will result in VA furnishing comprehensive hospice care services to veterans throughout the Nation.

SUMMARY OF PROVISIONS

Mr. President, this legislation is geared to expanding comprehensive VA hospice care programs and promoting VA research on hospice care. The bill would amend chapter 17 of title 38 to establish a new subchapter VII, the provisions of which would:

First, require VA, during the period beginning on October 1, 1993, and end-

ing on December 31, 1998, to conduct a pilot program in order to assess the feasibility and desirability of furnishing hospice care services to terminally ill veterans, and determine the most efficient and effective means of furnishing such services.

Second, require VA to furnish hospice care services under the pilot program to any veteran who has a life expectancy of 6 months or less, as certified by a VA physician; and who is: First, entitled to VA hospital care; second, eligible for and receiving VA hospital or nursing home care; third, eligible for and receiving care in a community nursing home under a VA contract; or fourth, eligible for and receiving care in a State veterans home for which VA is making per diem payments to offset the costs of that care.

Third, specify that the hospice care services that VA must provide to veterans under the pilot program are the services to which Medicare beneficiaries are entitled under the Medicare's hospice care benefit, and personal care services, including care or services relating to dressing, personal hygiene, feeding, and housekeeping.

Fourth, require the Secretary to establish hospice care demonstration projects that would provide these services at not fewer than 15 but not more than 30 VA medical centers [VAMC's] by 1 of 3 means: First, a hospice operated by a VAMC; second, a non-VA hospice under contract with a VAMC and pursuant to which the VA facility furnishes any necessary inpatient services; or third, a non-VA hospice under a contract with a VAMC and pursuant to which a non-VA facility furnishes any necessary inpatient services.

Fifth, require that each of the three means for furnishing hospice care services be used at not fewer than five VAMC's.

Sixth, require the Secretary to ensure, to the maximum extent feasible, that VAMC's selected to conduct demonstration projects under the pilot program include facilities that: First, are located in urban areas and rural areas; second encompass the full range of affiliations between VAMC's and medical schools; third, operate and maintain various numbers of beds; and fourth, meet any additional criteria or standards that the Secretary may deem relevant or necessary.

Seventh, provide that the amount paid by VA to a non-VA hospice under a hospice care services contract generally may not exceed the amount that would be paid to that hospice under the Medicare hospice benefit, and authorize the Secretary to pay an amount in excess of the Medicare reimbursement rate, if the Secretary determines, on a case by case basis, that the Medicare rate would not adequately compensate the hospice for the costs associated with furnishing necessary care to a terminally ill veteran.

Eighth, require the Secretary to designate not fewer than 10 VAMC's that would function as a control group and furnish a less comprehensive range of services to terminally ill veterans than the range that VAMC's participating in the pilot program must provide, using one of two means: First, by VA personnel providing one or more hospice care services to veterans at a VAMC, or second, by VA personnel monitoring the furnishing of one or more hospice care services to veterans by a non-VA provider.

Ninth, require the Secretary to ensure, to the maximum extent practicable, that terminally ill veterans receive information regarding their eligibility, if any, for Medicare's hospice care benefit.

Tenth, require the Secretary, not later than September 30, 1994, and on an annual basis thereafter, until October 1, 1999, to submit periodic written reports to the House and Senate Committees on Veterans' Affairs about the pilot program.

Eleventh, require the Director of VA's Health Services Research and Development Service, not later than August 1, 1997, to submit to the House and Senate Committees on Veterans' Affairs a detailed final report on the pilot program, including: First, an assessment of the feasibility and desirability of furnishing hospice care services to terminally ill veterans, second, an assessment of the optimal means of furnishing such services, and third, his recommendations, if any, for additional legislation regarding such care.

Twelfth, clarify that the pilot program would not preclude VA from furnishing hospice care services at VAMC's not participating in the pilot program or the control group.

BACKGROUND

Clearly, terminally ill veterans need an alternative to customary, curative care, and the Department of Veterans Affairs has made steady progress in meeting the demand. However, VA Central Office officials have given only general guidance to VAMC's regarding the types of services they must provide to terminally ill veterans and the manner in which they must provide them. Not surprisingly, significant variations exist in the manner in which VAMC's provide these services. Only 39 of 171 VAMC's operate their own hospice units. These units are freestanding buildings or separate units where a home-like atmosphere is created. Other VAMC's provide pain management and other services to terminally ill veterans in units in which hospice rooms are adjacent to rooms in which other patients are administered curative care. Still other VAMC's only provide some hospice services such as caregiver counseling and pain management. Many offer only an assessment of a terminally ill veteran's needs and referral to a non-VA hospice.

Neither uniformity nor marked variation in the provision of VA hospice care may be the answer, but we can never be certain until all the important questions have been asked and all the ways to provide such care have been examined. For example, some claim that we can best meet terminally ill veterans' needs by integrating hospice concepts into mainstream care for terminally ill persons. Others believe that because most VAMC's are affiliated with medical schools that tend to emphasize technology-intensive, curative interventions, veterans would be better served if VA contracted with community hospice providers. I do not know who is right, but I do know that we must grapple with these difficult questions if we truly care about meeting terminally ill veterans' needs.

The pilot program this legislation envisions should be of great help in assessing these concerns. The bill calls for VA to establish hospice demonstration projects at 15 to 30 VAMC's that will provide a comprehensive range of hospice care services; 10 other VAMC's will constitute a control group and offer a less comprehensive range of services to terminally ill veterans. In essence, an experiment will be set up, whereby consistent data can be generated and valuable information extrapolated. At a Committee on Veterans' Affairs hearing on long-term care in May of this year, many VA clinicians testified as to the value of information gleaned from a similar study of VA's adult day health care program. That study helped health care providers identify veterans most likely to benefit from that program and tailor the program's services to meet their needs.

This year's bill differs from S. 1358 of the 102d Congress in that it specifically requires that the Director of Health Services Research and Development conduct the evaluation of the various models for furnishing care. This requirement would ensure that the study will be conducted by highly qualified researchers whose mission is objective research. In addition, the new bill contains a provision that explicitly states that VA can continue to provide hospice care services at additional VAMC's, which would guarantee that no veteran will lose access to hospice care as a result of the pilot program. Every VAMC now has a hospice care consulting team and some offer various additional services. We certainly do not want VA to eliminate those programs. Rather, we seek to ensure that VA studies and learns from its hospice programs.

CONCLUSION

Mr. President, many terminally ill veterans do not want to spend their last days in a hospital environment receiving high technology, heroic interventions that cannot cure their illnesses. These veterans, who have

served our country with honor and dignity, choose a different type of environment, one where pain management and emotional support are the focus. They are veterans like Tom, a West Virginian whose plight the committee learned of in 1991. The executive director of the hospice of Huntington, WV, Charlene Farrell, told the committee that while Tom was in the hospital, suffering from cancer, he asked that the drapes be closed so he could sit in darkness. Eventually, his daughters decided to use their modest resources to purchase hospice care from a non-VA provider, because their father longed for the type of care and support that a hospital simply cannot offer. We owe veterans like Tom nothing less than the best hospice care our Nation can provide. The Veterans Hospice Services Act of 1993 will help us meet our obligation to these brave men and women.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1141

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 "Veterans' Hospice Services Act of 1993".

SEC. 2. PROGRAMS FOR FURNISHING HOSPICE CARE TO VETERANS.

(a) ESTABLISHMENT OF PROGRAMS.—Chapter 17 of title 38, United States Code, is amended by adding at the end the following:

"SUBCHAPTER VII—HOSPICE CARE PILOT PROGRAM; HOSPICE CARE SERVICES

"§ 1761. Definitions

"For the purposes of this subchapter—

"(1) The term 'terminally ill veteran' means any veteran—

"(A) who is (i) entitled to receive hospital care in a medical facility of the Department under section 1710(a)(1) of this title, (ii) eligible for hospital or nursing home care in such a facility and receiving such care, (iii) receiving care in a State home facility for which care the Secretary is paying per diem under section 1741 of this title, or (iv) transferred to a non-Department nursing home for nursing home care under section 1720 of this title and receiving such care; and

"(B) who has a medical prognosis (as certified by a Department physician) of a life expectancy of six months or less.

"(2) The term 'hospice care services' means (A) the care, items, and services referred to in subparagraphs (A) through (H) of section 1861(dd)(1) of the Social Security Act (42 U.S.C. 1395x(dd)(1)), and (B) personal care services.

"(3) The term 'hospice program' means any program that satisfies the requirements of section 1861(dd)(2) of the Social Security Act (42 U.S.C. 1395x(dd)(2)).

"(4) The term 'medical facility of the Department' means a facility referred to in section 1701(4)(A) of this title.

"(5) The term 'non-Department facility' means a facility (other than a medical facility of the Department) at which care to terminally ill veterans is furnished, regardless of whether such care is furnished pursuant to

a contract, agreement, or other arrangement referred to in section 1762(b)(1)(D) of this title.

"(6) The term 'personal care services' means any care or service furnished to a person that is necessary to maintain a person's health and safety within the home or nursing home of the person, including care or services related to dressing and personal hygiene, feeding and nutrition, and environmental support.

"§ 1762. Hospice care: pilot program requirements

"(a)(1) During the period beginning on October 1, 1993, and ending on December 31, 1998, the Secretary shall conduct a pilot program in order—

"(A) to assess the feasibility and desirability of furnishing hospice care services to terminally ill veterans; and

"(B) to determine the most efficient and effective means of furnishing such services to such veterans.

"(2) The Secretary shall conduct the pilot program in accordance with this section.

"(b)(1) Under the pilot program, the Secretary shall—

"(A) designate not less than 15 nor more than 30 medical facilities of the Department at or through which to conduct hospice care services demonstration projects;

"(B) designate the means by which hospice care services shall be provided to terminally ill veterans under each demonstration project pursuant to subsection (c);

"(C) allocate such personnel and other resources of the Department as the Secretary considers necessary to ensure that services are provided to terminally ill veterans by the designated means under each demonstration project; and

"(D) enter into any contract, agreement, or other arrangement that the Secretary considers necessary to ensure the provision of such services by the designated means under each such project.

"(2) In carrying out the responsibilities referred to in paragraph (1) the Secretary shall take into account the need to provide for and conduct the demonstration projects so as to provide the Secretary with such information as is necessary for the Secretary to evaluate and assess the furnishing of hospice care services to terminally ill veterans by a variety of means and in a variety of circumstances.

"(3) In carrying out the requirement described in paragraph (2), the Secretary shall ensure, to the maximum extent feasible, that—

"(A) the medical facilities of the Department selected to conduct demonstration projects under the pilot program include facilities located in urban areas of the United States and rural areas of the United States;

"(B) the full range of affiliations between medical facilities of the Department and medical schools is represented by the facilities selected to conduct demonstration projects under the pilot program, including no affiliation, minimal affiliation, and extensive affiliation;

"(C) such facilities vary in the number of beds that they operate and maintain; and

"(D) the demonstration projects are located or conducted in accordance with any other criteria or standards that the Secretary considers relevant or necessary to furnish and to evaluate and assess fully the furnishing of hospice care services to terminally ill veterans.

"(c)(1) Subject to paragraph (2), hospice care to terminally ill veterans shall be furnished under a demonstration project by one

or more of the following means designated by the Secretary:

"(A) By the personnel of a medical facility of the Department providing hospice care services pursuant to a hospice program established by the Secretary at that facility.

"(B) By a hospice program providing hospice care services under a contract with that program and pursuant to which contract any necessary inpatient services are provided at a medical facility of the Department.

"(C) By a hospice program providing hospice care services under a contract with that program and pursuant to which contract any necessary inpatient services are provided at a non-Department medical facility.

"(2)(A) The Secretary shall provide that—
 "(i) care is furnished by the means described in paragraph (1)(A) at not less than five medical facilities of the Department; and

"(ii) care is furnished by the means described in subparagraphs (B) and (C) of paragraph (1) in connection with not less than five such facilities for each such means.

"(B) The Secretary shall provide in any contract under subparagraph (B) or (C) of paragraph (1) that inpatient care may be provided to terminally ill veterans at a medical facility other than that designated in the contract if the provision of such care at such other facility is necessary under the circumstances.

"(d)(1) Except as provided in paragraph (2), the amount paid to a hospice program for care furnished pursuant to subparagraph (B) or (C) of subsection (c)(1) may not exceed the amount that would be paid to that program for such care under section 1814(i) of the Social Security Act (42 U.S.C. 1395f(i)) if such care were hospice care for which payment would be made under part A of title XVIII of such Act.

"(2) The Secretary may pay an amount in excess of the amount referred to in paragraph (1) (or furnish services whose value, together with any payment by the Secretary, exceeds such amount) to a hospice program for furnishing care to a terminally ill veteran pursuant to subparagraph (B) or (C) of subsection (c)(1) if the Secretary determines, on a case-by-case basis, that—

"(A) the furnishing of such care to the veteran is necessary and appropriate; and

"(B) the amount that would be paid to that program under section 1814(i) of the Social Security Act would not compensate the program for the cost of furnishing such care.

"§ 1763. Care for terminally ill veterans

"(a) During the period referred to in section 1762(a)(1) of this title, the Secretary shall designate not less than 10 medical facilities of the Department at which hospital care is being furnished to terminally ill veterans to furnish the care referred to in subsection (b)(1).

"(b)(1) Palliative care to terminally ill veterans shall be furnished at the facilities referred to in subsection (a) by one of the following means designated by the Secretary:

"(A) By personnel of the Department providing one or more hospice care services to such veterans at or through medical facilities of the Department.

"(B) By personnel of the Department monitoring the furnishing of one or more of such services to such veterans at or through non-Department facilities.

"(2) The Secretary shall furnish care by the means referred to in each of subparagraphs (A) and (B) of paragraph (1) at not less than five medical facilities designated under subsection (a).

"§ 1764. Information relating to hospice care services

"The Secretary shall ensure to the extent practicable that terminally ill veterans who have been informed of their medical prognosis receive information relating to the eligibility, if any, of such veterans for hospice care and services under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

"§ 1765. Evaluation and reports

"(a) Not later than September 30, 1994, and on an annual basis thereafter until October 1, 1999, the Secretary shall submit a written report to the Committees on Veterans' Affairs of the Senate and House of Representatives relating to the conduct of the pilot program under section 1762 of this title and the furnishing of hospice care services under section 1763 of this title. Each report shall include the following information:

"(1) The location of the sites of the demonstration projects provided for under the pilot program.

"(2) The location of the medical facilities of the Department at or through which hospice care services are being furnished under section 1763 of this title.

"(3) The means by which care to terminally ill veterans is being furnished under each such project and at or through each such facility.

"(4) The number of veterans being furnished such care under each such project and at or through each such facility.

"(5) An assessment by the Secretary of any difficulties in furnishing such care and the actions taken to resolve such difficulties.

"(b) Not later than August 1, 1997, the Secretary shall submit to the committees referred to in subsection (a) a report containing an evaluation and assessment by the Director of the Health Services Research and Development Service of the hospice care pilot program under section 1762 of this title and the furnishing of hospice care services under section 1763 of this title. The report shall contain such information (and shall be presented in such form) as will enable the committees to evaluate fully the feasibility and desirability of furnishing hospice care services to terminally ill veterans.

"(c) The report shall include the following:
 "(1) A description and summary of the pilot program.

"(2) With respect to each demonstration project conducted under the pilot program—

"(A) a description and summary of the project;

"(B) a description of the facility conducting the demonstration project and a discussion of how such facility was selected in accordance with the criteria set out in, or prescribed by the Secretary pursuant to, subparagraphs (A) through (D) of section 1762(b)(3) of this title;

"(C) the means by which hospice care services are being furnished to terminally ill veterans under the demonstration project;

"(D) the personnel used to furnish such services under the demonstration project;

"(E) a detailed factual analysis with respect to the furnishing of such services, including (i) the number of veterans being furnished such services, (ii) the number, if any, of inpatient admissions for each veteran being furnished such services and the length of stay for each such admission, (iii) the number, if any, of outpatient visits for each such veteran, and (iv) the number, if any, of home-care visits provided to each such veteran;

"(F) the direct costs, if any, incurred by terminally ill veterans, the members of the families of such veterans, and other individ-

uals in close relationships with such veterans in connection with the participation of veterans in the demonstration project;

"(G) the costs incurred by the Department in conducting the demonstration project, including an analysis of the costs, if any, of the demonstration project that are attributable to (i) furnishing such services in facilities of the Department, (ii) furnishing such services in non-Department facilities, and (iii) administering the furnishing of such services; and

"(H) the unreimbursed costs, if any, incurred by any other entity in furnishing services to terminally ill veterans under the project pursuant to section 1762(c)(1)(C) of this title.

"(3) An analysis of the level of the following persons' satisfaction with the services furnished to terminally ill veterans under each demonstration project:

"(A) Terminally ill veterans who receive such services, members of the families of such veterans, and other individuals in close relationships with such veterans.

"(B) Personnel of the Department responsible for furnishing such services under the project.

"(C) Personnel of non-Department facilities responsible for furnishing such services under the project.

"(4) A description and summary of the means of furnishing hospice care services at or through each medical facility of the Department designated under section 1763(a)(1) of this title.

"(5) With respect to each such means, the information referred to in paragraphs (2) and (3).

"(6) A comparative analysis by the Director of the services furnished to terminally ill veterans under the various demonstration projects referred to in section 1762 of this title and at or through the designated facilities referred to in section 1763 of this title, with an emphasis in such analysis on a comparison relating to—

"(A) the management of pain and health symptoms of terminally ill veterans by such projects and facilities;

"(B) the number of inpatient admissions of such veterans and the length of inpatient stays for such admissions under such projects and facilities;

"(C) the number and type of medical procedures employed with respect to such veterans by such projects and facilities; and

"(D) the effectiveness of such projects and facilities in providing care to such veterans at the homes of such veterans or in nursing homes.

"(7) An assessment by the Director of the feasibility and desirability of furnishing hospice care services by various means to terminally ill veterans, including an assessment by the Director of the optimal means of furnishing such services to such veterans.

"(8) Any recommendations for additional legislation regarding the furnishing of care to terminally ill veterans that the Secretary considers appropriate."

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following:

"SUBCHAPTER VII—HOSPICE CARE PILOT PROGRAM; HOSPICE CARE SERVICES

"1761. Definitions.
 "1762. Hospice care: pilot program requirements.

"1763. Care for terminally ill veterans.

"1764. Information relating to hospice care services.

"1765. Evaluation and reports."

(c) AUTHORITY TO CARRY OUT OTHER HOSPICE CARE PROGRAMS.—The amendments

made by subsection (a) may not be construed as terminating the authority of the Secretary of Veterans Affairs to provide hospice care services to terminally ill veterans under any program in addition to the programs required under the provisions added by such amendments.●

● Mr. MURKOWSKI. Mr. President, I am pleased to lend my support as an original cosponsor of a measure that, if enacted, will provide a strong incentive for, and specific direction to, the Department of Veterans Affairs to establish meaningful hospice programs to help those veterans who are in the end stages of terminal illnesses. I compliment my good friend, our Veterans Affairs' chairman, JAY ROCKEFELLER of West Virginia, for introducing this important legislation.

Mr. President, I and other members of the Committee on Veterans Affairs are concerned about whether VA is truly adopting the hospice philosophy in VA terminal-care programming, or rather simply only adapting some aspects of hospice care in VA's preexisting institutional tendencies. If the latter is true, I and others would be very concerned that VA not only may be wasting scarce health care resources but also in the process sadly misconstruing the intent of the hospice movement.

The bill being offered today would require the VA to establish true hospice demonstrations in not less than 15, but not more than 30, VA medical centers. Hospice services would be offered to eligible veterans already under VA care. Funding would come from within available VA health care resources. The services themselves would be similar to hospice benefits now offered through the Medicare system to Medicare beneficiaries. Our bill would require VA to provide hospice services for a 5-year period and provide periodic reports to Congress.

During a recent VA briefing of our Veterans Affairs Committee staff, Mr. President, VA representatives were asked about the degree to which true hospice approaches might be applicable to VA's terminally ill patient population. A basic question in this respect is the internal VA market for the hospice option: the terminally ill VA patient. Unfortunately VA was unable to respond to inform us of the number of VA patients who would be natural or potential candidates for VA hospice care. I believe that we must know this kind of basic information—both quantitatively and qualitatively—before we can predict veterans' needs for hospice services in VA facilities. In fact, without clear knowledge of the market to be served, VA central office program planners may be, in effect, working in the dark. Our bill would set the VA on a course to adequately plan for, and deliver, hospice care to eligible veterans.

Mr. President, my great friend, former Acting Secretary Tony Principi, announced a VA policy in

1992, that required every VA medical center to implement hospice programming, in order to provide veterans and their families a real hospice option; yet, VA representatives have indicated that fewer than one-fifth of VA facilities now offer a hospice alternative to traditional VA interventions. Future plans seem sketchy at best.

Mr. President, I believe that our legislation eventually can bring true VA hospice care to the several thousand terminally ill VA patients who die each year in VA hospital and nursing home beds. When the hospice option is appropriate, we owe hospitalized, seriously ill veterans and their families a viable and humane alternative to the traditional VA interventions. In that spirit, I am cosponsoring this measure with my chairman, and I urge all my colleagues to closely examine this bill. It deserves our full support.●

By Mr. HARKIN:

S. 1142. A bill to improve counseling services for elementary school children; to the Committee on Labor and Human Resources.

ELEMENTARY SCHOOL COUNSELING
DEMONSTRATION ACT

● Mr. HARKIN. Mr. President, the sixth National Education Goal says that by the year 2000, all schools will be free of drugs and violence and will offer a disciplined environment conducive to learning. I introduce legislation that will help us reach this important goal.

S. 1142, the Elementary School Counseling Demonstration Act focuses on prevention and early intervention at a critical time in the development of children. This legislation established and expands counseling programs in our elementary schools, so that we can address the special needs of young people.

Mr. President, this bill authorizes the Secretary of Education to provide demonstration grants to local school districts to enhance the availability and quality of counseling services for elementary school children. The bill authorizes \$10 million in annual appropriations for the next 5 years to test the effectiveness of school counseling programs that include school counselors, school social workers and school psychologists in a comprehensive manner. This pupil services team can make sure students have access to the professional that is most qualified to address the child's needs.

The legislation directs the Secretary to distribute these grants equitably throughout the United States, targeting rural, urban, and suburban areas. In addition, districts applying for the grants must maintain a counselor-student ratio of no more than 1 school counselor per 250 students, 1 school social worker per 800 students, and 1 school psychologist per 1,000 students. Programs must involve parents,

business representatives, and community groups in developing the program. Grants will be available for up to 3 years with a maximum annual grant of \$400,000. The legislation also establishes the Office of Pupil Services to facilitate programs that meet the wide-ranging needs of students.

At the present time, there is 1 school counselor for every 1,000 students, 1 school social worker for every 2,500 students, and 1 school psychologist for every 2,500 students. As a result, school counseling programs are seldom adequate.

This legislation is critical, for the stresses inflicted on our children are enormous—fragmentation of the family, drug and alcohol abuse, child abuse, poverty, and violence. As a result, an increasing number of elementary school children are exhibiting symptoms of distress—substance abuse, emotional disorders, academic underachievement, disruptive behavior, juvenile delinquency, and suicide. Elementary school counselors, school psychologists, and school social workers can contribute to the personal growth, educational development, and emotional well-being of elementary school children by providing professional counseling, intervention, and referral services.

By making contact with a child early on, these students have a better chance of developing the self-esteem and problem-solving skills that will benefit them during their teenage years. This principle has been put into practice in the Des Moines Independent School District and it works.

In 1988, the Des Moines Public Schools established the Smoother Sailing Pilot Program which decreased the school counselor to student ratio to the recommended level. Smoother Sailing now operates in all Des Moines elementary schools and provides an enhanced elementary school counseling program for students in kindergarten through fifth grade.

The school district has noticed increased student achievement and improvements in self-esteem while reducing the frequency and intensity of discipline problems in the elementary schools. Smoother Sailing proved to me how important early intervention programs are to the war on drugs. To stop the spread of drugs, we must reach our children before the drug dealers do and elementary school counseling programs give children the skills to deal with the tremendous problems they face today.

Smoother Sailing should serve as a model program for Iowa and the rest of the Nation. The Elementary School Counseling Demonstration Act expands the principles and objectives of Smoother Sailing to the entire Nation. I believe a successful demonstration project will encourage all school districts to make elementary school counseling programs a priority.

We know that investing in our children is the key to ensuring a society of healthy and educated adults. Programs such as Head Start attest to the success of this early intervention and prevention strategy. I hope my colleagues will support this bill, so that we can meet the education goals we have set for our Nation and help our children excel during their school years and beyond.

Mr. President, at the conclusion of my remarks I would like to have entered into the RECORD, copies of letters of support for the Elementary School Counseling Demonstration Act from the American Counseling Association, the National Association of Social Workers, and the National Association of School Psychologists and a copy of the bill.

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

S. 1142

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 "Elementary School Counseling Demonstration Act".

SEC. 2. FINDINGS AND PURPOSE.

- (a) FINDINGS.—The Congress finds that—
- (1) elementary school children are being subjected to unprecedented social stresses, including fragmentation of the family, drug and alcohol abuse, child abuse, poverty, and violence, and experts indicate that intervention at an early age is the most beneficial;
 - (2) an increasing number of elementary school children are exhibiting symptoms of distress, such as substance abuse, emotional disorders, academic underachievement, disruptive behavior, juvenile delinquency, and suicide;
 - (3) elementary school counselors, school psychologists and school social workers can contribute to the personal growth, educational development, and emotional well-being of elementary school children by providing professional counseling, intervention, and referral services;
 - (4) the average ratio of elementary school counselors to students is 1 to 1,000, the average ratio of school psychologists to students is 1 to 2,500, and the average ratio of school social workers to students is 1 to 2,500;
 - (5) when there is 1 counselor to 1,000 students, 1 school psychologist to 2,500 students, and 1 school social worker to 2,500 students, elementary school counseling programs are seldom adequate;
 - (6) the Federal Government can help reduce the risk of academic, social, and emotional problems among elementary school children by stimulating the development of model elementary school counseling programs; and
 - (7) the Federal Government can help reduce the risk of future unemployment and assist the school to work transition by stimulating the development of model elementary school counseling programs that include comprehensive career development.
- (b) PURPOSE.—It is the purpose of this Act to enhance the availability and quality of counseling services for elementary school children by providing grants to local educational agencies to enable such agencies to establish effective and innovative elemen-

tary school counseling programs that can serve as national models.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated \$10,000,000 for each of the fiscal years 1994, 1995, 1996, 1997, and 1998 to carry out this Act.

SEC. 4. PROGRAM AUTHORITY.

- (a) IN GENERAL.—From amounts appropriated pursuant to the authority of section 3 in any fiscal year, the Secretary shall make grants to local educational agencies having applications approved under section 5 to initiate or expand school counseling programs for elementary school children.
- (b) PRIORITY.—In awarding grants under this Act, the Secretary shall give special consideration to applications describing programs that—
- (1) demonstrate the greatest need for new or additional counseling services among the children in the elementary schools served by the applicant;
 - (2) propose the most promising and innovative approaches for initiating or expanding elementary school counseling; and
 - (3) show the greatest potential for replication and dissemination.

(c) EQUITABLE DISTRIBUTION.—In awarding grants under this Act, the Secretary shall ensure an equitable geographic distribution among the regions of the United States and among urban, suburban, and rural areas.

(d) DURATION.—A grant under this Act shall be awarded for a period not to exceed 3 years.

(e) MAXIMUM GRANT.—A grant under this Act shall not exceed \$400,000 for any fiscal year.

SEC. 5. APPLICATIONS.

(a) IN GENERAL.—Each local educational agency desiring a grant under this Act shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(b) NOTIFICATION OF STATE EDUCATIONAL AGENCY.—Before submitting an application to the Secretary in accordance with subsection (a), a local educational agency shall provide the State educational agency with an opportunity to review and comment on the program described in such application. The comments of the State educational agency shall be appended to the application upon submission of the application to the Secretary.

(c) CONTENTS.—Each application for a grant under this Act shall—

- (1) describe the elementary school population to be targeted by the program, the particular personal, social, emotional, educational, and career development needs of such population, and the current school counseling resources available for meeting such needs;
- (2) describe the activities, services, and training to be provided by the program and the specific approaches to be used to meet the needs described in paragraph (1);
- (3) describe the methods to be used to evaluate the outcomes and effectiveness of the program;
- (4) describe the collaborative efforts to be undertaken with institutions of higher education, businesses, labor organizations, community groups, social service agencies, and other public or private entities to enhance the program and promote school-linked services integration;
- (5) describe collaborative efforts with institutions of higher education which specifically seek to enhance or improve graduate programs specializing in the preparation of elementary school counselors, school psychologists, and school social workers;

(6) document that the applicant has the personnel qualified to develop, implement, and administer the program;

(7) describe how any diverse cultural populations would be served through the program;

(8) assure that the funds made available under this Act for any fiscal year will be used to supplement and, to the extent practicable, increase the level of funds that would otherwise be available from non-Federal sources for the program described in the application, and in no case supplant such funds from non-Federal sources; and

(9) assure that the applicant will appoint an advisory board composed of parents, school counselors, school psychologists, school social workers, other pupil services personnel, teachers, school administrators, and community leaders to advise the local educational agency on the design and implementation of the program.

SEC. 6. USE OF FUNDS.

(a) IN GENERAL.—Grant funds under this Act shall be used to initiate or expand elementary school counseling programs that comply with the requirements in subsection (b).

(b) PROGRAM REQUIREMENTS.—Each program assisted under this Act shall—

- (1) be comprehensive in addressing the personal, social, emotional, educational, and career development needs of all students;
- (2) use a developmental, preventive approach to counseling;
- (3) increase the range, availability, quantity, and quality of counseling services in the elementary schools of the local educational agency;
- (4) ensure a team approach to school counseling by maintaining a ratio in the elementary schools of the local educational agency that does not exceed 1 school counselor to 250 students, 1 school social worker to 800 students and 1 school psychologist to 1,000 students;
- (5) expand counseling services only through qualified school counselors, school psychologists, and school social workers;
- (6) use innovative approaches to increase children's understanding of peer and family relationships, work and self, decisionmaking, academic and career planning, or to improve social functioning;
- (7) provide counseling services with the goal of developing a highly skilled workforce through a range of quality educational programs and work-related experiences that allow students to reach high school graduation equipped to tackle immediately the world of work, or to continue in some form of postsecondary education or training, or both;
- (8) provide counseling services that are well-balanced among classroom group and small group counseling, individual counseling, and consultation with parents, teachers, administrators, and other pupil services personnel;
- (9) include inservice training for school counselors, school social workers, school psychologists, other pupil services personnel, teachers, and instructional staff;
- (10) involve parents of participating students in the design, implementation, and evaluation of a counseling program;
- (11) involve collaborative efforts with institutions of higher education, businesses, labor organizations, community groups, social service agencies, or other public or private entities to enhance the program and promote school-linked services integration;
- (12) ensure that school counselors, school psychologists or school social workers paid

from funds made available under this Act spend at least 85 percent of their total work time in activities directly related to the counseling process and not more than 15 percent of such time on administrative tasks that are associated with the counseling program;

(13) provide supervision for professionals who are hired under this Act by supervisors who are school counselors, school social workers, and school psychologists; and

(14) evaluate annually the effectiveness and outcomes of the counseling services and activities assisted under this Act.

SEC. 7. NATIONAL ADMINISTRATION.

(a) OFFICE OF PUPIL SERVICES.—

(1) IN GENERAL.—Title II of the Department of Education Organization Act (20 U.S.C. 3411 et seq.) is amended by adding at the end the following new section:

"OFFICE OF PUPIL SERVICES

"SEC. 216. (a) There shall be in the Department of Education an Office of Pupil Services, to be administered by the Director of Pupil Services. Such Office shall be established in accordance with section 405A of the General Education Provisions Act.

"(b) The Director of Pupil Services shall be an individual of recognized professional qualifications and experience in the field of pupil services."

(2) AMENDMENT TO THE GENERAL EDUCATION PROVISIONS ACT.—Part A of the General Education Provisions Act (20 U.S.C. 1221e et seq.) is amended by inserting after section 405 the following new section:

"SEC. 405A. OFFICE OF PUPIL SERVICES.

"(a) ESTABLISHMENT.—The Secretary shall establish an Office of Pupil Services (hereafter in this section referred to as the 'Office').

"(b) FUNCTIONS OF THE OFFICE.—The Office shall be responsible for—

"(1) administering, reviewing, and monitoring pupil services programs, including the programs funded under the Elementary School Counseling Act; and

"(2) providing a national focal point for information and technical assistance regarding the counseling, personal, social, emotional, educational, career development and psychological needs of elementary and secondary school children."

(b) DATA COLLECTION AND EVALUATION.—

(1) IN GENERAL.—The Director of the Office of Pupil Services shall compile the evaluations of the programs assisted under this Act and shall regularly collect such data as the Secretary finds necessary to develop a profile of the use and impact of funds provided under this Act.

(2) REPORT.—The Secretary shall issue a report evaluating the programs assisted pursuant to each grant under this section at the end of each grant period, but in no case later than January 30, 1998.

(c) DISSEMINATION.—The Secretary shall make the programs assisted under this Act available for dissemination, either through the National Diffusion Network or other appropriate means.

(d) LIMIT ON ADMINISTRATION.—Not more than 5 percent of the amounts appropriated pursuant to the authority of section 3 in any fiscal year shall be used to carry out the provisions of this section, including the costs of establishing the Office of Pupil Services.

SEC. 8. DEFINITIONS.

For purposes of this Act—

(1) the term "comprehensive" means, with respect to counseling services, a program in which—

(A) a school counselor, school psychologist, or school social worker uses a range of indi-

vidual and group techniques and resources in a planned way to meet the personal, social, emotional, educational, and career development needs of all elementary children in a school; and

(B) a school counselor, school psychologist, or school social worker works directly with children, families, teachers, and other school or agency personnel to create an optimal positive learning environment and personal growth opportunities for all children;

(2) the term "developmental" means, with respect to a school counseling program, a systematically planned program that—

(A) provides appropriate school counseling interventions to foster the social, emotional, physical, moral, and cognitive growth of elementary school children;

(B) provides intervention services to help children cope with family, social, emotional, and academic problems; and

(C) supports and enhances the efforts of families, teachers, and other school personnel to provide children maximum opportunity to acquire competence and skill in self-understanding and appreciation, interpersonal interaction, educational achievement and literacy, and career awareness and personal decisionmaking;

(3) the term "Director" means the Director of the Office of Pupil Services in the Department of Education;

(4) the term "elementary school" has the meaning given such term in section 1471(8) of the Elementary and Secondary Education Act of 1965;

(5) the term "institution of higher education" has the meaning given such term in section 1201(a) of the Higher Education Act of 1965;

(6) the term "local educational agency" has the meaning given such term in section 1471(12) of the Elementary and Secondary Education Act of 1965;

(7) the term "parent" has the meaning given such term in section 1471(14) of the Elementary and Secondary Education Act of 1965;

(8) the term "pupil services personnel" has the meaning given such term in section 1471(17) of the Elementary and Secondary Education Act of 1965;

(9) the term "school counselor" means an individual who has documented competence in counseling children and adolescents in a school setting and who—

(A) possesses State licensure or certification granted by an independent professional regulatory authority;

(B) in the absence of such State licensure or certification, possesses national certification in school counseling or a specialty of counseling granted by an independent professional organization; or

(C) holds a minimum of a master's degree in school counseling from a program accredited by the Council for Accreditation of Counseling and Related Educational Programs or the equivalent;

(10) the term "school psychologist" means an individual who—

(A) possesses a minimum of 60 graduate semester hours in school psychology from an institution of higher education and has completed 1,200 clock hours in a supervised school psychology internship, of which 600 hours shall be in the school setting; and

(B) possess State licensure or certification in the State in which the individual works; or

(C) in the absence of such State licensure or certification, possess national certification by the National School Psychology Certification Board;

(11) the term "school social worker" means an individual who holds a master's degree in social work and is licensed or certified by the State in which services are provided or holds a school social work specialist credential;

(12) the term "Secretary" means the Secretary of Education;

(13) the term "State educational agency" has the meaning given such term in section 1471(23) of the Elementary and Secondary Education Act of 1965; and

(14) the term "supervisor" means an individual who has the equivalent number of years of professional experience in such individual's respective discipline as is required of teaching experience for the supervisor or administrative credential in the State of such individual.

AMERICAN COUNSELING ASSOCIATION,

Alexandria, VA, June 17, 1993.

Hon. TOM HARKIN,
U.S. Senate, Senate Hart Building,
Washington, DC.

DEAR SENATOR HARKIN. On behalf of the nearly 60,000 members of the American Counseling Association (ACA) who represents more than 200,000 professional counselors, I want to express my strong support of the Elementary School Counseling Demonstration Act.

Your emphasis on the importance of elementary school counseling programs will enhance the availability and quality of counseling services for all elementary school children. An integrated approach using elementary school counselors, school psychologists and school social workers will contribute to the personal growth and educational development of our nation's future leaders.

Professional counselors are committed to providing comprehensive services that enable young people to reach their potential. Again, the American Counseling Association (ACA) commends you for your sponsorship of the Elementary School Counseling Demonstration Act. We will be supportive and work toward the enactment of this important legislation.

Sincerely,

LEE J. RICHMOND, Ph.D., NCC, NCCC,
President.

NATIONAL ASSOCIATION OF

SCHOOL PSYCHOLOGISTS,

Silver Spring, MD, June 17, 1993.

Hon. TOM HARKIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR HARKIN. On behalf of the 16,000 members of the National Association of School Psychologists (NASP), I want to thank you for introducing the Elementary School Counseling Demonstration Act in the Senate. This legislation is a critical step in improving services for elementary school children.

NASP is particularly pleased that the bill contains a provision for a team approach in rendering services. The combined efforts of school psychologists, school counselors, and school social workers is critical in meeting the increasingly complex social, emotional, behavioral, and psychological needs of elementary school children. Through counseling, intervention and referral services, these professionals contribute to children's personal growth, educational development, and emotional well-being.

We applaud your efforts in helping to ensure the social, emotional, and academic success of elementary school children through the introduction of this important

legislation. Please contact the NASP Government Relations staff at (301) 608-0500 ext. 26 if we may assist you and your staff in any way.

Sincerely,

KATHY DURBIN,
President.

NATIONAL ASSOCIATION OF
SOCIAL WORKERS,
Washington, DC, June 7, 1993.

Hon. TOM HARKIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR HARKIN. On behalf of the National Association of Social Workers' 145,000 members, I would like to express my enthusiastic support for the Elementary School Counseling Demonstration Act.

School social workers have a rich tradition of providing services to children in schools. As our world becomes more complex, it is increasingly apparent that students' personal, emotional, and social needs must be addressed in order for them to meet their academic potential. Elementary school counseling programs are a vital component in achieving this goal.

By providing for a much-needed expansion of counseling services in selected sites, and by establishing an office in the U.S. Department of Education specifically charged with facilitating programs to meet a broad range of student needs, the Elementary School Counseling Demonstration Act will help enable our education systems to respond to the human factors that are so critical in promoting or impeding academic success.

NASW applauds your recognition of the importance of elementary school counseling programs and look forward to swift enactment of the Elementary School Counseling Demonstration Act.

Sincerely,

SHELDON R. GOLDSTEIN, ACSW, LISW,
Executive Director.●

By Mr. BAUCUS (for himself, Mr. CONRAD, Mrs. MURRAY, Mr. INOUE, and Mr. DORGAN):

S. 1143. A bill to improve the delivery of health care services in rural areas by creating an Assistant Secretary for Rural Health, to attend title XVIII of the Social Security Act to provide that medical assistance facilities be reimbursed based on reasonable cost, to establish a grant program for the use of interactive telecommunications systems, and to adjust the payments made for certain direct graduate medical education expenses; to the Committee on Finance.

RURAL HEALTH IMPROVEMENT ACT OF 1993

● Mr. BAUCUS. Mr. President, I introduce legislation that would improve access to health care in rural areas. I am very pleased to be joined in this effort by my colleagues Senator KENT CONRAD from North Dakota, Senator PATTY MURRAY from Washington, Senator DANIEL INOUE from Hawaii, and Senator BYRON DORGAN from North Dakota.

We face a crisis in rural health care. Over a quarter of our population lives in rural areas, yet these areas suffer high rates of uninsurance and underinsurance, severe chronic shortages of physicians and other health profes-

sionals, very little preventive care, and high rate of hospital closures.

In Montana the statistics are truly alarming. Over 20 percent of Montanans have no health insurance. Eight of our 56 counties have no physician and almost half of our counties have no physician who will deliver a baby. In fact, over three-fourths of our State is designated by the Federal Government as a health professional shortage area.

We need a comprehensive strategy to address our rural health care system. As we consider national health reform, we must ensure that rural areas receive the assistance they need to enhance their health care delivery structures and ensure that Federal policies reflect the unique needs of rural America. This legislation will help accomplish these goals.

ASSISTANT SECRETARY FOR RURAL HEALTH

The bill would create an Assistant Secretary for Rural Health within the Department of Health and Human Services. This would be accomplished by elevating the current Office of Rural Health Policy which now resides in the Public Health Service. It also expands the duties of this critical office by requiring that the new Assistant Secretary report on national health reform and the implications of such reforms for rural areas.

When I authored legislation creating the Office of Rural Health Policy a few years ago, I intended that the office would analyze the effects of current and proposed Medicare regulations on rural hospitals and providers. We face new challenges today. Health reform will dramatically impact health delivery and access in rural areas. I strongly believe that national health reform will need to be analyzed very carefully for its long-term implications for health care providers and consumers in rural communities. This legislation will make sure that national health reform is analyzed from a rural point of view.

The Office of Rural Health Policy [OHRP] has done an excellent job meeting and even exceeding its current mission. But the office is forced to operate from deep within the Department of Health and Human Services. Their analyses and proposals must be approved by layers of bureaucrats before reaching the Secretary's office.

I believe that rural concerns need a more direct line to the Secretary. The OHRP reports affect 25 percent of our Nation's population. Their analyses often conclude the Federal proposals effect rural areas dramatically differently than they effect urban areas. Elevating the Director of OHRP to the position of Assistant Secretary for Rural Health will increase the attention paid to how Federal policies affects rural communities.

This provision has never been more critical. We are all aware of the unintended negative consequences which

previous Federal health policies have placed on our rural hospitals and providers. With national health reform on the horizon, it's critical that the implications for rural areas are comprehensively analyzed so that we avoid the mistakes of the past.

The national health reform debate tends to focus on expanding health insurance to all Americans. While this will help people living in rural areas, it still doesn't guarantee that rural residents have access to care. It won't solve the severe provider shortages faced by rural communities.

The Federal Government needs a comprehensive strategy to help alleviate these problems. I don't mean that one program would fit all rural areas, but instead believe that this comprehensive strategy could incorporate and enhance the many strategies rural areas are already taking to improve access to health care. Above all, we must be absolutely sure that the effects of the new national health reform policies on rural areas don't unintentionally lead to even greater shortages.

We are very pleased to be working with an administration that truly cares about improving health care in rural areas. In fact, Secretary Shalala recognizes the improvement mission of the Office of Rural Health Policy and has expressed strong interest in elevating the office within the Department of Health and Human Services. This move will better enable the office to promote departmental policies that effectively address rural needs.

CREATE A LIMITED-SERVICE RURAL HOSPITAL PROGRAM UNDER MEDICARE

The bill would allow Medical assistance facilities [MAF] to be reimbursed under Medicare. A MAF is a downscaled, limited-service hospital which allows extensive use of midlevel practitioners and has flexible staffing requirements. For the small rural hospital plagued by high fixed costs of operation, the MAF creates a downsizing option that has not previously existed. In circumstances where hospital closure has already occurred or appears to be inevitable, the MAF enables a frontier community to maintain an institutional health care presence.

MAF's have already been operating in Montana for the past few years, under a HCFA demonstration grant, and now provide care to thousands of rural residents. A report soon to be released by HCFA shows that MAF's provide high-quality, cost-effective care. I understand that an analysis of the MAF by the inspector general will also be released shortly, and also found MAF's to offer high-quality care.

MAF's have worked so well and play such an important role in rural communities that incorporating them permanently into the Medicare program is clearly the next logical step. This would reassure existing MAF's and the thousands of residents they serve that

their Medicare reimbursement will continue. And it would allow other struggling rural hospitals to become MAFs. There are already at least five states—Florida, Colorado, Washington, California, and Kentucky—so interested in pursuing this option that they have passed legislation to establish MAF's. Furthermore, several other States have legislation pending. Making the MAF permanent could go a long way toward assuring access to our Nation's rural citizens.

RURAL TELECOMMUNICATIONS GRANT PROGRAM

The bill would help address the isolation faced by rural health care providers and improve the quality of care by creating a Rural Telecommunications Grant Program. The Assistant Secretary for Rural Health would award grants of not more than \$500,000 to rural health care networks to help develop interactive telecommunications programs.

Networks could consist of a tertiary care facility, rural referral center, or a medical teaching institution and one or more rural hospitals, clinics, medical assistance facilities, and mental health departments. The telecommunications systems would be used to consult between health care providers in remote areas and providers in large facilities; transfer and analyze x rays, lab slides, and other images; develop innovative health education programs; and for many other purposes.

Montana hospitals recently formed a telemedicine network which I firmly believe will reduce isolation and enhance the quality of care in rural areas. Scheduled to debut on July 1, the eastern Montana telemedicine project involves Deaconess Hospital in Billings and several hospitals in rural communities. This innovative program allows small Montana communities in remote areas to share state-of-the-art medical resources and receive vital educational programming.

These kinds of well-designed telemedicine projects need Federal support and encouragement. A strengthened telecommunications infrastructure would promote the networks and the coordination among providers which experts agree is essential to improving access and quality in rural America.

ADJUST MEDICARE GME PAYMENTS TO MAKE IT EASIER TO EDUCATION PRIMARY CARE PROVIDERS

The final provision would better enable certain institutions to educate primary care providers. Our nation desperately needs additional providers of primary care, and Federal policies should reflect that need.

SUMMARY

Mr. President, passage of these four provisions could greatly improve access to health care for our Nation's rural communities. I urge my colleagues to join us in cosponsoring this important legislation and ask unanimous consent that a copy of the proposed bill be printed in the RECORD.

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

S. 1143

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 Health Improvement Act of 1993".

SEC. 2. OFFICE OF RURAL HEALTH POLICY.

(a) APPOINTMENT OF ASSISTANT SECRETARY.—

(1) IN GENERAL.—Section 711(a) of the Social Security Act (42 U.S.C. 912(a)) is amended—

(A) by striking "by a Director, who shall advise the Secretary" and inserting "by an Assistant Secretary for Rural Health (in this section referred to as the 'Assistant Secretary'), who shall report directly to the Secretary"; and

(B) by adding at the end the following new sentence: "The Office shall not be a component of any other office, service, or component of the Department."

(2) CONFORMING AMENDMENTS.—(A) Section 711(b) of the Social Security Act (42 U.S.C. 912(b)) is amended by striking "the Director" and inserting "the Assistant Secretary".

(B) Section 338J(a) of the Public Health Service Act (42 U.S.C. 254r(a)) is amended by striking "Director of the Office of Rural Health Policy" and inserting "Assistant Secretary for Rural Health".

(C) Section 464T(b) of the Public Health Service Act (42 U.S.C. 285p-2(b)) is amended in the matter preceding paragraph (1) by striking "Director of the Office of Rural Health Policy" and inserting "Assistant Secretary for Rural Health".

(D) Section 6213 of the Omnibus Budget Reconciliation Act of 1989 (42 U.S.C. 1395x note) is amended in subsection (e)(1) by striking "Director of the Office of Rural Health Policy" and inserting "Assistant Secretary for Rural Health".

(E) Section 403 of the Ryan White Comprehensive AIDS Resources Emergency Act of 1990 (42 U.S.C. 300ff-11 note) is amended in the matter preceding paragraph (1) of subsection (a) by striking "Director of the Office of Rural Health Policy" and inserting "Assistant Secretary for Rural Health".

(3) AMENDMENT TO THE EXECUTIVE SCHEDULE.—Section 5315 of title 5, United States Code, is amended by striking "Assistant Secretaries of Health and Human Services (5)" and inserting "Assistant Secretaries of Health and Human Services (6)".

(b) EXPANSION OF DUTIES.—Section 711(a) of the Social Security Act (42 U.S.C. 912(a)) is amended by striking "and access to (and the quality of) health care in rural areas" and inserting "access to, and quality of, health care in rural areas, and reforms to the health care system and the implications of such reforms for rural areas".

SEC. 3. COVERAGE OF, AND PAYMENT FOR, MEDICAL ASSISTANCE FACILITY SERVICES.

(a) AMENDMENTS TO PART A.—

(1) DEFINITIONS.—Section 1861 of the Social Security Act (42 U.S.C. 1395x) is amended by adding at the end the following new subsection:

"Medical Assistance Facility; Medical Assistance Facility Services

"(oo)(1) The term 'medical assistance facility' means a facility which—

"(A) is located in a county (or equivalent unit of local government) with fewer than 6 residents per square mile or is located more

than a 35 mile drive from a hospital, a rural primary care hospital, or another facility described in this subsection;

"(B) furnishes services to ill or injured individuals prior to the transportation of such individuals to a hospital or furnishes inpatient care to individuals needing such care for a period not longer than 96 hours;

"(C) permits a physician assistant or nurse practitioner to admit and treat patients under the supervision of a physician not present in such facility;

"(D) meets the requirements of section 1861(e) that are applicable to a hospital located in a rural area except that—

"(i) with respect to any requirements relating to the number of hours that the facility must be open on a daily or weekly basis, the facility is only required to meet the requirement to provide emergency care on a 24-hour basis;

"(ii) with respect to any services required under such section to be furnished by a dietician, pharmacist, laboratory technician, medical technologist, and radiological technologist, the facility may furnish such services on a part-time, off-site basis; and

"(iii) the inpatient care described in subparagraph (B) may be furnished by a physician assistant or nurse practitioner as provided in subparagraph (C);

"(E) receives a certification of medical necessity and appropriateness by a peer review organization (or the equivalent of a peer review organization) upon admitting each patient on an inpatient basis or, in the case of admissions that do not occur during regular business hours, receives such a certification at the earliest possible time; and

"(F) may enter into an agreement with the Secretary under section 1883 under which the facility's inpatient hospital facilities may be used for the furnishing of services of the type which, if furnished by a skilled nursing facility, would constitute extended care services.

"(2) The term 'inpatient medical assistance facility services' means items and services furnished to an inpatient of a medical assistance facility by such facility that would be inpatient hospital services if furnished to an inpatient of a hospital by a hospital."

(2) COVERAGE AND PAYMENT.—(A) Section 1812(a)(1) of such Act (42 U.S.C. 1395d(a)(1)) is amended by striking "and inpatient rural primary care hospital services" and inserting "inpatient rural primary care hospital services, and inpatient medical assistance facility services".

(B) Section 1814 of such Act (42 U.S.C. 1395f) is amended—

(i) in subsection (a)—

(I) by striking "and" at the end of paragraph (7).

(II) by striking the period at the end of paragraph (8) and inserting "; and", and

(III) by inserting after paragraph (8) the following new paragraph:

"(9) in the case of inpatient medical assistance facility services, a physician certifies that such services were required to be immediately furnished on a temporary, inpatient basis.;"

(ii) in subsection (b), by striking "inpatient rural primary care hospital services," and inserting "inpatient rural primary care hospital services, other than a medical assistance facility providing inpatient medical assistance facility services,;" and

(iii) by adding at the end the following new subsection:

"Payment for Inpatient Medical Assistance Facility Services"

"(m) The amount of payment under this part for inpatient medical assistance facility services is the reasonable costs of the medical assistance facility in providing such services."

(3) TREATMENT OF MEDICAL ASSISTANCE FACILITIES AS PROVIDERS OF SERVICES.—(A) Section 1861(u) of such Act (42 U.S.C. 1395x(u)) is amended by inserting "medical assistance facility," after "rural primary care hospital,"

(B) The first sentence of section 1864(a) of such Act (42 U.S.C. 1395aa(a)) is amended by inserting "a medical assistance facility, as defined in section 1861(oo)(1)," after "1861(mm)(1)."

(C) The third sentence of section 1865(a) of such Act (42 U.S.C. 1395bb(a)) is amended by striking "or 1861(mm)(1)" and inserting "1861(mm)(1), or 1861(oo)(1)."

(4) CONFORMING AMENDMENTS.—(A) Section 1128A(b)(1) of such Act (42 U.S.C. 1320a-7a(b)(1)) is amended—

(i) by striking "or a rural primary care hospital" the first place it appears and inserting ", a rural primary care hospital, or a medical assistance facility"; and

(ii) by striking "or a rural primary care hospital" the second place it appears and inserting ", the rural primary care hospital, or the medical assistance facility".

(B) Section 1128B(c) of such Act (42 U.S.C. 1320a-7b(c)) is amended by inserting "medical assistance facility," after "rural primary care hospital,"

(C) Section 1134 of such Act (42 U.S.C. 1320b-4) is amended by striking "or rural primary care hospitals" each place it appears and inserting ", rural primary care hospitals, or medical assistance facilities".

(D) Section 1138(a)(1) of such Act (42 U.S.C. 1320b-8(a)(1)) is amended—

(i) in the matter preceding subparagraph (A), by striking "or rural primary care hospital" and inserting ", rural primary care hospital, or medical assistance facility", and

(ii) in the matter preceding clause (i) of subparagraph (A), by striking "or rural primary care hospital" and inserting ", rural primary care hospital, or medical assistance facility".

(E) Section 1164(e) of such Act (42 U.S.C. 1320c-13(e)) is amended by inserting "medical assistance facilities," after "rural primary care hospitals,"

(F) Section 1816(c)(2)(C) of such Act (42 U.S.C. 1395h(c)(2)(C)) is amended by inserting "medical assistance facility," after "rural primary care hospital,"

(G) Section 1833 of such Act (42 U.S.C. 1395l) is amended—

(i) in subsection (h)(5)(A)(iii)—

(I) by striking "or rural primary care hospital" and inserting "rural primary care hospital, or medical assistance facility"; and

(II) by striking "to the hospital" and inserting "to the hospital or the facility";

(ii) in subsection (i)(1)(A), by inserting "medical assistance facility," after "rural primary care hospital,"

(iii) in subsection (i)(3)(A), by striking "or rural primary care hospital services" and inserting "rural primary care hospital services, or medical assistance facility services";

(iv) in subsection (i)(5)(A), by inserting "medical assistance facility," after "rural primary care hospital," each place it appears; and

(v) in subsection (i)(5)(C), by striking "or rural primary care hospital" each place it appears and inserting ", rural primary care hospital, or medical assistance facility".

(H) Section 1835(c) of such Act (42 U.S.C. 1395n(c)) is amended by adding at the end the following: "A medical assistance facility shall be considered a hospital for purposes of this subsection."

(I) Section 1842(b)(6)(A)(ii) of such Act (42 U.S.C. 1395u(b)(6)(A)(ii)) is amended by inserting "medical assistance facility," after "rural primary care hospital,"

(J) Section 1861 of such Act (42 U.S.C. 1395x) is amended—

(i) in the last sentence of subsection (e), by striking "1861(mm)(1)" and inserting "1861(mm)(1) or a medical assistance facility (as defined in section 1861(oo)(1))."

(ii) in subsection (w)(1) by inserting "medical assistance facility," after "rural primary care hospital," and

(iii) in subsection (w)(2), by striking "or rural primary care hospital" each place it appears and inserting ", rural primary care hospital, or medical assistance facility".

(K) Section 1862(a)(14) of such Act (42 U.S.C. 1395y(a)(14)) is amended by striking "or rural primary care hospital" each place it appears and inserting ", rural primary care hospital, or medical assistance facility".

(L) Section 1866(a)(1) of such Act (42 U.S.C. 1395cc(a)(1)) is amended—

(i) in subparagraph (F)(ii), by inserting "medical assistance facilities," after "rural primary care hospitals,"

(ii) in subparagraph (H)—

(I) in the matter preceding clause (i), by inserting "and in the case of medical assistance facilities which provide inpatient medical assistance facility services" after "rural primary care hospital services"; and

(II) in clauses (i) and (ii), by striking "hospital" each place it appears and inserting "hospital or facility";

(iii) in subparagraph (I)—

(i) in the matter preceding clause (i), by striking "or rural primary care hospital" and inserting ", a rural primary care hospital, or a medical assistance facility"; and

(II) in clause (ii), by striking "the hospital" and inserting "the hospital or the facility"; and

(iv) in subparagraph (N)—

(i) in the matter preceding clause (i), by striking "and rural primary care hospitals" and inserting ", rural primary care hospitals, and medical assistance facilities";

(II) in clause (i), by striking "or rural primary care hospital," and inserting ", rural primary care hospital, or medical assistance facility,"; and

(III) in clause (ii), by striking "hospital" and inserting "hospital or facility".

(M) Section 1866(a)(3) of such Act (42 U.S.C. 1395cc(a)(3)) is amended—

(i) by striking "rural primary care hospital," each place it appears in subparagraphs (A) and (B) and inserting "rural primary care hospital, medical assistance facility," and

(ii) in subparagraph (C)(ii)(II), by striking "rural primary care hospitals," each place it appears and inserting "rural primary care hospitals, medical assistance facilities".

(N) Section 1867(e)(5) of such Act (42 U.S.C. 1395dd(e)(5)) is amended by striking "1861(mm)(1)" and inserting "1861(mm)(1) or a medical assistance facility (as defined in section 1861(oo)(1))."

(b) AMENDMENTS TO PART B.—

(1) COVERAGE.—(A) Section 1861(oo) of the Social Security Act (42 U.S.C. 1395x(oo)), as added by section 1, is amended by adding at the end the following new paragraph:

"(3) The term 'outpatient medical assistance facility services' means medical and

other health services furnished by a medical assistance facility on an outpatient basis."

(B) Section 1832(a)(2) of such Act (42 U.S.C. 1395k(a)(2)) is amended—

(i) in subparagraph (I), by striking "and" at the end;

(ii) in subparagraph (J), by striking the period at the end and inserting "; and"; and

(iii) by adding at the end the following new subparagraph:

"(K) outpatient medical assistance facility services (as defined in section 1861(oo)(3))."

(2) PAYMENT.—(A) Section 1833(a) of such Act (42 U.S.C. 1395l(a)) is amended—

(i) in paragraph (2), in the matter preceding subparagraph (A), by striking "and (I)" and inserting "(I), and (K)";

(ii) in paragraph (6), by striking "and" at the end;

(iii) in paragraph (7), by striking the period at the end and inserting "; and"; and

(iv) by adding at the end the following new paragraph:

"(8) in the case of outpatient medical assistance facility services, the amounts described in section 1834(i)."

(B) Section 1834 of such Act (42 U.S.C. 1395m) is amended by adding at the end the following new subsection:

"(1) PAYMENT FOR OUTPATIENT MEDICAL ASSISTANCE FACILITY SERVICES.—The amount of payment for outpatient medical assistance facility services provided in a medical assistance facility under this part shall be determined by one of the two following methods, as elected by the medical assistance facility:

"(A) COST-BASED FACILITY FEE PLUS PROFESSIONAL CHARGES.—

"(A) FACILITY FEE.—With respect to facility services, not including any services for which payment may be made under subparagraph (B), there shall be paid amounts equal to the amounts described in section 1833(a)(2)(B) (describing amounts paid for hospital outpatient services).

"(B) REASONABLE CHARGES FOR PROFESSIONAL SERVICES.—In electing treatment under this paragraph, payment for professional medical services otherwise included within outpatient medical assistance facility services shall be made under such other provisions of this part as would apply to payment for such services if they were not included in outpatient medical assistance facility services.

"(2) ALL-INCLUSIVE RATE.—

"(A) IN GENERAL.—With respect to both facility services and professional medical services, there shall be paid amounts equal to the excess of—

"(i) the costs which are reasonable and related to the cost of furnishing such services or which are based on such other tests of reasonableness as the Secretary may prescribe in regulations, over

"(ii) the amount the facility may charge as described in clause (i) of section 1866(a)(2)(A).

"(B) LIMITATION.—

"(i) IN GENERAL.—The payment amount determined under subparagraph (A) with respect to items and services shall not exceed 80 percent of the amount determined under clause (i) of such subparagraph with respect to such items and services.

"(ii) CERTAIN ITEMS AND SERVICES.—Clause (i) shall not apply to—

"(I) items and services described in section 1861(s)(10)(A), and

"(II) items and services furnished in connection with obtaining a second opinion required under section 1164(c)(2), or third opinion, if the second opinion was in disagreement with the first opinion."

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective for

services provided on or after the date of the enactment of this section.

SEC. 4. GRANT PROGRAM FOR THE USE OF INTERACTIVE TELECOMMUNICATIONS SYSTEMS IN PROVIDING HEALTH CARE TO RURAL AREAS.

Title VII of the Social Security Act (42 U.S.C. 901 et seq.) is amended by adding at the end the following new section:

"GRANT PROGRAM FOR THE USE OF INTERACTIVE TELECOMMUNICATIONS SYSTEMS IN PROVIDING HEALTH CARE TO RURAL AREAS

"SEC. 712. (a) ESTABLISHMENT OF PROGRAM.—

"(1) IN GENERAL.—The Assistant Secretary for Rural Health (hereafter referred to in this section as the "Assistant Secretary"), through the Office of Rural Health Policy, shall establish a program to provide grants to rural health care networks (as defined in paragraph (2)) to enhance the delivery of health care in rural areas through the use of interactive telecommunications systems.

"(2) DEFINITION.—For purposes of this section, the term "rural health care network" means a group of providers furnishing health care services to a rural area composed of—

"(A) a tertiary care facility, rural referral center (as defined in section 1886(d)(5)(C)(i)), or medical teaching institution; and

"(B) one or more rural hospitals, clinics, medical assistance facilities, mental health departments or similar facilities, including community health centers (as defined in section 330 of the Public Health Service Act) and migrant health centers (as defined in section 329 of the Public Health Service Act).

"(b) APPLICATION REQUIREMENTS.—

"(1) IN GENERAL.—In order to be eligible to receive a grant under this section, a rural health care network must submit an application to the Assistant Secretary at such time and in such manner as the Assistant Secretary shall require.

"(2) CONTENTS OF APPLICATION.—An application submitted under this section must contain—

"(A) a plan for acquisition and operation of an interactive telecommunications system;

"(B) a description of the uses to be made of such system;

"(C) a description of how such system will function in connection with existing common carrier networks; and

"(D) a description of a plan for evaluation of the cost and effectiveness of the system and the quality of the health care delivered under the system.

"(3) CONSIDERATION OF APPLICATIONS.—In considering the applications submitted under this subsection, the Assistant Secretary shall give a preference to rural health care networks that establish multiple uses for the interactive telecommunications system in the rural area served by the system, including uses that do not relate to the provision of health care.

"(c) AMOUNT OF GRANTS; USE OF FUNDS.—

"(1) LIMITATION ON AMOUNT OF GRANTS.—The amount of any grant awarded to a rural health care network under this section in any fiscal year shall not exceed \$500,000.

"(2) NUMBER OF ANNUAL GRANTS ALLOWED PER NETWORK.—No more than 3 annual grants may be awarded to any rural health care network under this section.

"(3) USE OF FUNDS.—

(A) IN GENERAL.—From the amounts awarded to a rural health care network under this section, funds may be expended to support the cost of activities involving the sending and receiving of information to improve the delivery of health care services to rural areas including—

"(i) consultations between health care providers in remote areas and providers in large facilities;

"(ii) the transfer and analysis of x-rays, lab slides, and other images;

"(iii) the development of innovative health education programs; and

"(iv) such other related activities as the Assistant Secretary determines to be consistent with the purposes of this section.

"(B) LIMITATION.—Each grant awarded to a rural health care network under this section is subject to the following limitations:

"(i) No more than 35 percent of the grant funds may be used to acquire interactive telecommunications equipment.

"(ii) No grant funds may be used to establish or operate a telecommunications common carrier network.

"(d) EVALUATION AND REPORT.—The Assistant Secretary shall provide for an evaluation of the grant program under this section to be conducted by the Office of Rural Health Policy which shall prepare and submit a report to the Congress not later than 4 years after the date on which the first grant is awarded under this section summarizing such evaluation.

"(e) FUNDING.—There are authorized to be appropriated \$5,000,000 for each of fiscal years 1994, 1995, and 1996 to carry out the purposes of this Act and such sums shall remain available until expended."

SEC. 5. DIRECT GRADUATE MEDICAL EDUCATION. (a) PUBLICLY FUNDED FAMILY PRACTICE RESIDENCY PROGRAMS.—

(1) IN GENERAL.—Section 1886(h)(5) (42 U.S.C. 1395ww(h)(5)) is amended by adding at the end the following new subparagraph:

"(H) ADJUSTMENTS FOR CERTAIN FAMILY PRACTICE RESIDENCY PROGRAMS.—

"(i) IN GENERAL.—In the case of an approved medical residency training program (meeting the requirements of clause (ii)) of a hospital which received payments from the United States, a State, or a political subdivision of a State or an instrumentality of such a State or political subdivision (other than payments under this title or a State plan under title XIX) during the cost reporting period that began during fiscal year 1984, the Secretary shall—

"(I) provide for an average amount under paragraph (2)(A) that takes into account the Secretary's estimate of the amount that would have been recognized as reasonable under this title if the hospital had not received such payments, and

"(II) reduce the payment amount otherwise provided under this subsection in an amount equal to the proportion of such program payments during the cost reporting period involved that is allocable to this title.

"(ii) ADDITIONAL REQUIREMENTS.—A hospital's approved medical residency program meets the requirements of this clause if—

"(I) the program is limited to training for family and community medicine;

"(II) the program is the only approved medical residency program of the hospital; and

"(III) the average amount determined under paragraph (2)(A) for the hospital (as determined without regard to the increase in such amount described in clause (i)(I)) does not exceed \$10,000."

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to payments under section 1886(h) of the Social Security Act for cost reporting periods beginning on or after October 1, 1990.

(b) PREVENTIVE CARE SERVICES AS PART OF INITIAL RESIDENCY PERIOD.—

(1) ELIGIBILITY OF PREVENTIVE CARE RESIDENCY PROGRAMS FOR EXPANDED INITIAL RESI-

DENCY PERIODS.—Section 1886(h)(5)(F)(ii) (42 U.S.C. 1395ww(h)(5)(F)(ii)) is amended by inserting after "fellowship program" the following: "or a preventive care residency or fellowship program".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to cost reporting periods beginning on or after October 1, 1993.●

● **Mr. CONRAD.** Mr. President, today Senator BAUCUS and I are joined by Senators INOUE, DORGAN, and MURRAY in introducing legislation to better provide needed health care resources to rural America. Our legislation has four elements. First, it elevates the status of the Office of Rural Health Policy in the Department of Health and Human Services. Second, the bill creates a rural telecommunications grant program to assist rural health care providers. Third, the bill provides for Medicare reimbursement for Medical assistance facilities. And fourth, our proposal assists certain institutions of higher learning in their effort to educate primary care providers.

As we reform our Nation's health care system, it will be especially important to meet the needs of rural Americans who are underserved by our health care system. The Federal Government must be equipped to both identify shortcomings in the current system and help ensure the delivery of quality health care services to rural residents.

Mr. President, the Office of Rural Health Policy was established as part of the Health Resources and Services Administration in 1987. Its charge is finding ways to improve the availability and delivery of health care to those who live in rural America. Since 1987, ORHP has developed into a resource of great importance to rural health care. It advises the Secretary of HHS on the impact of the Medicare and Medicaid programs on such significant issues as the financial viability of small rural hospitals, access to health care, recruitment and retention of health care professionals, and other matters of vital importance to health care delivery in rural America. It conducts research activities and operates a clearinghouse for information on rural health. But because the office is buried deep within the bureaucracy at the Department of Health and Human Services, its ability to be heard on issues important to rural health care delivery has been limited. As we consider reforming our Nation's health care system, entities like the office should be used to help ensure that Federal policies reflect the needs of the many Americans who live in rural areas.

Our bill also authorizes a new telecommunications grant program that will help rural health care networks develop interactive telecommunications capabilities. Interactive technologies hold a great deal of promise for rural communities. Enabling rural providers to develop networks that use

interactive telecommunications technology will improve access to quality health care for all rural citizens.

Finally, our bill provides Medicare reimbursement for Medical assistance facilities, and provides more equitable reimbursement for graduate medical education programs like the family practice program at the University of North Dakota. While Medical assistance facilities increase the options available for providing needed access to health care in our Nation's most rural areas, programs that educate family care practitioners will provide us with the professionals needed to staff such facilities in the future.

Rural America comprises more than a quarter of our Nation's population, and a far larger portion of our geography. For health care reform to succeed, it must not only be effective in urban and suburban America, but rural and frontier areas as well. ORHP is the Federal entity that is best positioned to identify sensible, workable solutions to the very real health care access problems that exist in rural America. This bill provides the means for ORHP to ensure that those problems are addressed. ●

By Mr. INOUE:

S.J. Res. 105. A joint resolution designating both September 29, 1993, and September 28, 1994, as "National Barrier Awareness Day"; to the Committee on the Judiciary.

NATIONAL BARRIER AWARENESS DAY

● Mr. INOUE. Mr. President, I introduce a joint resolution to designate September 29, 1993 and September 28, 1994 as "National Barrier Awareness Day."

The purpose of this joint resolution is to increase awareness of disability issues across our country in an effort to seek the elimination of the attitudinal, architectural, communication, employment, and legal barriers that more than 43 million Americans with a disability experience on a daily basis.

The National Barrier Awareness Foundation and Phi Alpha Delta Law Fraternity International have worked jointly to achieve the elimination of these barriers. As part of the 1992 National Barrier Awareness Day activities, the National Barrier Awareness Foundation and Phi Alpha Delta educated Members of Congress and their staff on barrier awareness, prepared to video tape and planning guide to be used by public service organizations to organize their own barrier awareness programs, and hosted a reception to honor over 10 outstanding disability awareness advocates.

An annual day of observance designated by the U.S. Congress and proclaimed by the President of the United States will complement the Americans With Disabilities Act and assist in the effort to eliminate barriers which confront individuals with disabilities.

I ask unanimous consent that the full text of 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. 105

Whereas there are currently more than 43,000,000 Americans with an identifiable disability;

Whereas 80 percent of Americans will experience some form of disability during their lives and many of these disabilities will be permanent;

Whereas persons who do not have a disability generally do not understand the full effect of living with a disability, and this lack of understanding fosters stereotypes and cultural attitudes that create barriers between individuals with disabilities and those without a disability;

Whereas the Senate and the House of Representatives enacted, and the President signed into law, the Americans with Disabilities Act of 1990, which provides comprehensive protection from employment discrimination for individuals with disabilities, that became effective on July 26, 1992; and

Whereas every American should work toward the goal of eliminating the cultural, employment, legal, and physical barriers that confront individuals with disabilities; and

Whereas an annual day of observance designated by the Congress and proclaimed by the President will assist the effort to eliminate the barriers that confront individuals with disabilities: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 29, 1993, and September 28, 1994, are each designated as "National Barrier Awareness Day". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe these days with appropriate ceremonies and activities. ●

By Mr. LAUTENBERG:

S.J. Res. 106. A joint resolution designating July 2, 1993 and July 2, 1994 as "National Literacy Day"; to the Committee on the Judiciary.

NATIONAL LITERACY DAY

● Mr. LAUTENBERG. Mr. President, I come before you today to bring to the attention of the American people an invisible society. This is a society devoid of the skills necessary to negotiate safe passage through the tumultuous waters that face us in life's journey, unable to distinguish between what is dangerous and what is safe, to chart a course on a map or even to tuck their children into bed at night with a bedtime story. This invisible minority live out their lives undercover. The secret and invisible society of which I speak are this Nation's illiterate citizens.

In the United States, more than 27 million adults cannot read and an estimated 35 million more are functionally illiterate. These wasted human resources cost this Nation hundreds of billions of dollars in unrealized possibilities. We pay the high price of illiteracy in many ways including, child welfare expenditures for the children of adults who lack the skills to get jobs,

and prison expenditures for inmates who felt they forfeited the right to gainful employment when they did not learn to read. Illiteracy is a pervasive and devastating problem.

I am pleased to introduce a joint resolution to designating July 2 of this year and the next as "National Literacy Day." It is vital that we call attention to the problem of illiteracy in our society. Even more essential is the need to reach out to people who need help in overcoming this problem, it is important they are aware that they are not alone and that help is available to them, should they choose to seek it. I urge my colleagues to support this resolution.

I ask unanimous consent that the full text of 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. 106

Whereas forty-two million Americans today read at a level which is less than necessary for full survival needs;

Whereas there are thirty million adults in the United States who cannot read, whose resources are left untapped, and who are unable to offer their full contribution to society;

Whereas illiteracy is growing rapidly, as two million three hundred thousand persons, including one million two hundred thousand legal and illegal immigrants, one million high school dropouts, and one hundred thousand refugees, are added to the pool of illiterate annually;

Whereas the annual cost of illiteracy to the United States in terms of welfare expenditures, crime, prison expenses, lost revenues, and industrial and military accidents has been estimated at \$225,000,000,000;

Whereas the competitiveness of the United States is eroded by the presence in the workplace of millions of Americans who are functionally or technologically illiterate;

Whereas there is a direct correlation between the number of illiterate adults unable to perform at the standard necessary for available employment and the money allocated to child welfare and unemployment compensation;

Whereas the presence of illiterate in proportion to population size is higher for blacks and Hispanics, resulting in increased economic and social discrimination against these minorities;

Whereas the prison population represents the single highest concentration of adult illiteracy;

Whereas one million children in the United States between the ages of twelve and seventeen cannot read above a third grade level, 13 per centum of all seventeen-year-olds are functionally illiterate, and 15 per centum of graduates of urban high schools read at less than a sixth grade level;

Whereas 85 per centum of the juveniles who appear in criminal court are functionally illiterate;

Whereas the 47 per centum illiteracy rate among black youths is expected to increase;

Whereas one-half of all heads of households cannot read past the eighth grade level and one-third of all members on welfare are functionally illiterate;

Whereas the cycle of illiteracy continues because the children of illiterate parents are

often illiterate themselves because of the lack of support they receive from their home environment;

Whereas Federal, State, municipal, and private literacy programs have only been able to reach 5 per centum of the total illiterate population;

Whereas it is vital to call attention to the problem of illiteracy, to understand the severity of the problem and its detrimental effects on our society, and to reach those who are illiterate and unaware of the free services and help available to them; and

Whereas it is also necessary to recognize and thank the thousands of volunteers who are working to promote literacy and provide support to the millions of illiterates in need of assistance; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That July 2, 1993 and July 2, 1994 are designated as "National Literacy Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such date with appropriate ceremonies and activities.

ADDITIONAL COSPONSORS

S. 13

At the request of Mr. HATCH, the name of the Senator from Utah [Mr. BENNETT] was added as a cosponsor of S. 13, a bill to institute accountability in the Federal regulatory process, establish a program for the systematic selection of regulatory priorities, and for other purposes.

S. 21

At the request of Mrs. FEINSTEIN, the name of the Senator from Tennessee [Mr. MATHEWS] was added as a cosponsor of S. 21, a bill to designate certain lands in the California Desert as wilderness to establish Death Valley, Joshua Tree, and Mojave National Parks, and for other purposes.

S. 27

At the request of Mr. SARBANES, the name of the Senator from Arizona [Mr. DECONCINI] 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. 235

At the request of Mr. REID, the names of the Senator from Wyoming [Mr. SIMPSON], the Senator from Utah [Mr. BENNETT], the Senator from Florida [Mr. MACK], and the Senator from Colorado [Mr. CAMPBELL] were added as cosponsors of S. 235, a bill to limit State taxation of certain pension income, and for other purposes.

S. 265

At the request of Mr. MACK, the name of the Senator from Oregon [Mr. PACKWOOD] was added as a cosponsor of S. 265, a bill to increase the amount of credit available to fuel local, regional, and national economic growth by reducing the regulatory burden imposed upon financial institutions, and for other purposes.

S. 340

At the request of Mr. HEFLIN, the names of the Senator from Ohio [Mr.

GLENN], the Senator from Florida [Mr. GRAHAM], and the Senator from Kansas [Mr. DOLE] were added as cosponsors of S. 340, a bill to amend the Federal Food, Drug, and Cosmetic Act to clarify the application of the Act with respect to alternate uses of new animal drugs and new drugs intended for human use, and for other purposes.

S. 348

At the request of Mr. RIEGLE, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 348, a bill to amend the Internal Revenue Code of 1986 to permanently extend qualified mortgage bonds.

S. 409

At the request of Mr. GLENN, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 409, a bill to extend the terms of various patents, and for other purposes.

S. 474

At the request of Mr. COATS, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of S. 474, a bill to amend the Internal Revenue Code of 1986 to increase the amount of the exemption for dependent children under age 18 to \$3,500, and for other purposes.

S. 482

At the request of Mr. BOREN, the name of the Senator from Tennessee [Mr. SASSER] was added as a cosponsor of S. 482, a bill to amend title 38, United States Code, to require the Secretary of Veterans Affairs to furnish outpatient medical services for any disability of a former prisoner of war.

S. 549

At the request of Mr. DOMENICI, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 549, a bill to provide for the minting and circulation of one-dollar coins.

S. 578

At the request of Mr. KENNEDY, the names of the Senator from Indiana [Mr. LUGAR] and the Senator from Louisiana [Mr. BREAU] were added as cosponsors of S. 578, a bill to protect the free exercise of religion.

S. 579

At the request of Mr. SMITH, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 579, a bill to require Congress to comply with the laws it imposes on others.

S. 666

At the request of Mr. BAUCUS, the names of the Senator from California [Mrs. BOXER], the Senator from Michigan [Mr. RIEGLE], and the Senator from Colorado [Mr. CAMPBELL] were added as cosponsors of S. 666, a bill to amend the Internal Revenue Code of 1986 to permanently extend and modify the credit for increasing research activities, and for other purposes.

S. 725

At the request of Mr. KENNEDY, the names of the Senator from Alabama [Mr. SHELBY], the Senator from Minnesota [Mr. WELLSTONE], the Senator from Ohio [Mr. GLENN], the Senator from South Carolina [Mr. HOLLINGS], and the Senator from Iowa [Mr. GRASSLEY] were added as cosponsors of S. 725, a bill to amend the Public Health Service Act to provide for the conduct of expanded studies and the establishment of innovative programs with respect to traumatic brain injury, and for other purposes.

S. 757

At the request of Mr. ROCKEFELLER, the names of the Senator from Missouri [Mr. DANFORTH] and the Senator from Michigan [Mr. RIEGLE] were added as cosponsors of S. 757, a bill to correct the tariff rate inversion on certain iron and steel pipe and tube products.

S. 784

At the request of Mr. HATCH, the names of the Senator from New Hampshire [Mr. GREGG] and the Senator from Montana [Mr. BURNS] were added as cosponsors of S. 784, a bill to amend the Federal Food, Drug, and Cosmetic Act to establish standards with respect to dietary supplements, and for other purposes.

S. 797

At the request of Mr. ROTH, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 797, a bill to amend title 5, United States Code, to establish an optional early retirement program for Federal Government employees, and for other purposes.

S. 895

At the request of Mr. PRYOR, the names of the Senator from Mississippi [Mr. LOTT] and the Senator from New Mexico [Mr. BINGAMAN] were added as cosponsors of S. 895, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of the rehabilitation credit under the passive activity limitation and the alternative minimum tax.

S. 915

At the request of Mr. BAUCUS, the names of the Senator from California [Mrs. BOXER] and the Senator from Utah [Mr. HATCH] were added as cosponsors of S. 915, a bill to amend the Internal Revenue Code of 1986 to more accurately codify the depreciable life of semiconductor manufacturing equipment.

S. 947

At the request of Mr. PRESSLER, the name of the Senator from New Hampshire [Mr. GREGG] was added as a cosponsor of S. 947, a bill to amend the Internal Revenue Code of 1986 to limit the tax rate for certain small businesses, and for other purposes.

S. 994

At the request of Mr. PRYOR, the name of the Senator from Nebraska

[Mr. KERREY] was added as a cosponsor of S. 994, a bill to authorize the establishment of a fresh cut flowers and fresh cut greens promotion and consumer information program for the benefit of the floricultural industry and other persons, and for other purposes.

S. 1026

At the request of Mr. LOTT, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 1026, a bill to amend the Internal Revenue Code of 1986 to provide that certain deductions of members of the National Guard or reserve units of the Armed Forces will be allowable in computing adjusted gross income.

S. 1029

At the request of Mr. GORTON, the name of the Senator from Colorado [Mr. BROWN] was added as a cosponsor of S. 1029, a bill to amend the Job Training Partnership Act to encourage the placement of youths in private sector jobs under the Summer Youth Employment and Training Program, and for other purposes.

S. 1040

At the request of Mr. BINGAMAN, the names of the Senator from North Dakota [Mr. CONRAD] and the Senator from Nebraska [Mr. KERREY] were added as cosponsors of S. 1040, a bill to support systemic improvement of education and the development of a technologically literate citizenry and internationally competitive work force by establishing a comprehensive system through which appropriate technology-enhanced curriculum, instruction, and administrative support resources and services, that support the National Education Goals and any national education standards that may be developed, are provided to schools throughout the United States.

S. 1045

At the request of Mr. WOFFORD, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of S. 1045, a bill to permit States to establish programs using unemployment funds to assist unemployed individuals in becoming self-employed.

S. 1082

At the request of Mr. COCHRAN, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 1082, a bill to amend the Public Health Service Act to revise and extend the program of making grants to the States for the operation of offices of rural health, and for other purposes.

S. 1085

At the request of Mr. HATCH, the names of the Senator from Mississippi [Mr. COCHRAN] and the Senator from Mississippi [Mr. LOTT] were added as cosponsors of S. 1085, a bill to abolish the United States Arms Control and Disarmament Agency and to transfer certain policy formulation functions of

the Agency to the Department of State and certain non-proliferation and other functions of the Agency to the Department of Defense, and for other purposes.

S. 1098

At the request of Mr. ROCKEFELLER, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 1098, a bill to amend title XIX of the Social Security Act to provide for optional coverage under State Medicaid plans of case-management services for individuals who sustain traumatic brain injuries, and for other purposes.

S. 1128

At the request of Mr. AKAKA, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 1128, a bill to amend title 38, United States Code, to permit the burial in cemeteries of the National Cemetery System of certain deceased reservists.

S. 1130

At the request of Mr. PRYOR, the name of the Senator from Hawaii [Mr. INOUE] was added as a cosponsor of S. 1130, a bill to provide for continuing authorization of Federal employee leave transfer and leave bank programs, and for other purposes.

SENATE JOINT RESOLUTION 47

At the request of Mr. JOHNSTON, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of Senate Joint Resolution 47, a joint resolution to designate the week beginning on November 21, 1993, and the week beginning on November 20, 1994, each as "National Family Week."

SENATE JOINT RESOLUTION 52

At the request of Mr. PACKWOOD, the names of the Senator from Missouri [Mr. DANFORTH] and the Senator from Iowa [Mr. GRASSLEY] were added as cosponsors of Senate Joint Resolution 52, a joint resolution to designate the month of November 1993 and 1994 as "National Hospice Month."

SENATE JOINT RESOLUTION 79

At the request of Mr. LAUTENBERG, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of Senate Joint Resolution 79, a joint resolution to designate June 19, 1993, as "National Baseball Day."

SENATE JOINT RESOLUTION 90

At the request of Mr. ROBB, the names of the Senator from Delaware [Mr. ROTH] and the Senator from Vermont [Mr. JEFFORDS] were added as cosponsors of Senate Joint Resolution 90, a joint resolution to recognize the achievements of radio amateurs, and to establish support for such amateurs as national policy.

SENATE JOINT RESOLUTION 94

At the request of Mr. DOLE, the names of the Senator from North Dakota [Mr. CONRAD], the Senator from New Hampshire [Mr. GREGG], the Sen-

ator from Connecticut [Mr. LIEBERMAN], the Senator from Oregon [Mr. PACKWOOD], and the Senator from Arizona [Mr. DECONCINI] were added as cosponsors of Senate Joint Resolution 94, a joint resolution to designate the week of October 3, 1993, through October 9, 1993, as "National Customer Service Week."

SENATE JOINT RESOLUTION 98

At the request of Mr. MITCHELL, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of Senate Joint Resolution 98, a joint resolution to designate the week beginning October 25, 1993, as "National Child Safety Awareness Week."

SENATE JOINT RESOLUTION 99

At the request of Mr. DECONCINI, the names of the Senator from Ohio [Mr. METZENBAUM], the Senator from Virginia [Mr. ROBB], the Senator from Kansas [Mr. DOLE], the Senator from Alabama [Mr. SHELBY], and the Senator from Nevada [Mr. REID] were added as cosponsors of Senate Joint Resolution 99, a joint resolution designating September 9, 1993, and April 21, 1994, each as "National D.A.R.E. Day."

SENATE CONCURRENT RESOLUTION 16

At the request of Mr. SHELBY, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of Senate Concurrent Resolution 16, a concurrent resolution expressing the sense of Congress that equitable mental health care benefits must be included in any health care reform legislation passed by Congress.

SENATE CONCURRENT RESOLUTION 26

At the request of Mr. SIMON, the names of the Senator from Minnesota [Mr. WELLSTONE], the Senator from Wisconsin [Mr. KOHL], the Senator from South Dakota [Mr. DASCHLE], the Senator from North Dakota [Mr. DORGAN], the Senator from Maine [Mr. MITCHELL], the Senator from Michigan [Mr. RIEGLE], and the Senator from Colorado [Mr. CAMPBELL] were added as cosponsors of Senate Concurrent Resolution 26, a concurrent resolution urging the President to redirect United States foreign assistance policies and spending priorities toward promoting sustainable development, which reduces global hunger and poverty, protects the environment, and promotes democracy.

At the request of Mr. LEVIN, his name was added as a cosponsor of Senate Concurrent Resolution 26, supra.

SENATE RESOLUTION 79

At the request of Mr. LAUTENBERG, the name of the Senator from Michigan [Mr. LEVIN] was withdrawn as a cosponsor of Senate Resolution 79, a resolution expressing the sense of the Senate concerning the United Nation's arms embargo against Bosnia-Herzegovina, a nation's right to self-defense, and peace negotiations.

AMENDMENT NO. 484

At the request of Mr. DECONCINI the names of the Senator from California [Mrs. FEINSTEIN] and the Senator from California [Mrs. BOXER] were added as cosponsors of Amendment No. 484 proposed to H.R. 2118, a bill making supplemental appropriations for the fiscal year ending September 30, 1993, and for other purposes.

SENATE RESOLUTION 123—RELATIVE TO THE CHICAGO BULLS

Ms. MOSELEY-BRAUN (for herself and Mr. SIMON) submitted the following resolution; which was considered and agreed to:

S. RES. 123

Whereas the Chicago Bulls, battling injuries and fatigue, fought their way through a season filled with struggles to finish with a 57-25 record;

Whereas the Bulls roared through the playoffs, sweeping the Atlanta Hawks and Cleveland Cavaliers before defeating the favored New York Knicks in six games to return to the NBA Finals for the third straight year;

Whereas head coach Phil Jackson and the entire coaching staff skillfully led the Bulls through an exhausting 82-game regular season, while simultaneously conserving player energy and positioning the team for an aggressive never say die, playoff run;

Whereas for the third consecutive year, Michael Jordan, averaging a record 41.0 points per game in the finals, was named playoff most valuable player, an honor that no other NBA player has ever received;

Whereas Scottie Pippen again exhibited his outstanding versatility, averaging 21.2 points, 9.1 rebounds, 7.6 assists and 2.0 steals per game in the finals;

Whereas the quickness and tireless defensive effort of Horace Grant keyed the Bulls front line and led to his game saving block in the final seconds of game six;

Whereas veteran center Bill Cartwright again frustrated the all-star caliber centers that he faced in this year's playoffs;

Whereas B.J. Armstrong, the league leader in three point field goal percentage, stepped up to play dogged defense and showed great composure in hitting several big shots when the Bulls needed them most;

Whereas John Paxson, after struggling through an injury-filled season, came off the bench to provide the Bulls with much needed spark and with 3.9 seconds left in game six, hit a three point field goal to propel the Bulls into NBA history;

Whereas the defense and rebounding of Scott Williams and Stacey King and the clutch shooting of Trent Tucker, each coming off the bench to provide valuable contributions, were an important part of each Bulls victory;

Whereas Will Perdue, Rodney McCray and Darrell Walker provided valuable contributions throughout the playoffs, both on and off the court, at times giving the Bulls the emotional lift they needed;

Whereas the Bulls hit a record 10 three field goals in game six of the NBA Finals on their way to a Threepeat; and

Whereas the Bulls displayed the heart of a lion to become only the third team in NBA history, and the first in the past 27 years, to win three straight NBA championships; Now, therefore, be it

Resolved, That the Senate, for the third year in a row, congratulates the Chicago

Bulls on winning the 1993 National Basketball Association championship.

SENATE RESOLUTION 124—RELATING TO THE OLYMPICS TO BE HELD IN THE YEAR 2000 IN BEIJING

Mr. BRADLEY (for himself and Mr. LEAHY) submitted the following resolution; which was referred to the Committee on Commerce, Science, and Transportation.

S. RES. 124

Whereas opponents of the human rights policies of the People's Republic of China should use a variety of vehicles, including international organizations, international regimes, and international events to express concern about China's human rights practices;

Whereas the International Olympic Committee is currently considering possible venues for the Olympic Summer Games in the year 2000, and the governments of the city of Beijing and of the People's Republic of China have submitted a proposal to the International Olympic Committee that such Olympic Games be held in Beijing;

Whereas the State Department publication entitled "Country Reports on Human Rights Practices for 1992" states that—

(1) the government of China's "human rights practices have remained repressive, falling far short of internationally accepted norms";

(2) "torture and degrading treatment of detained and imprisoned persons" persists today in China;

(3) "conditions in all types of Chinese penal institutions are harsh and frequently degrading"; and

(4) the government of China "still has not satisfactorily accounted for the thousands of persons throughout the country who were arrested or held in 'detention during the investigation' or 'administrative detention' status for activities related to the 1989 pro-democracy demonstrations";

Whereas the government of China has consistently failed to respect civil liberties and, according to the State Department's "Country Reports on Human Rights Practices for 1992", freedom of speech and self-expression remain "severely restricted" in China;

Whereas the government of China has failed to accede to the International Covenant on Civil and Political Rights and has questioned the universality of human rights;

Whereas the government of China uses torture, forced labor, and physical isolation to punish political prisoners;

Whereas Chinese authorities have prohibited the establishment of independent Chinese organizations that monitor or comment on human rights conditions in China, refused requests by international human rights delegations to meet with political prisoners and former detainees, and expelled foreign visitors indicating an interest in monitoring human rights conditions in China;

Whereas the government of China has engaged in population transfers of Tibetans inside Tibet and is engaged in the systematic suppression of the Tibetan people, their culture, and their religion;

Whereas, in recent years, the government of China has imposed tighter control over religious practices and has engaged in greater repression of religion in China;

Whereas, due to the policies of the government of China, Chinese workers are denied

the right to organize independent trade unions and to bargain collectively, and products manufactured in China through the use of forced labor have been exported to the United States;

Whereas the government of China is engaged in ongoing pervasive human rights abuses of women and children, including the use of forced abortions and involuntary sterilizations, in its enforcement of China's one child per couple policy;

Whereas in the spring of 1989, then mayor of Beijing, Chen Xitong, called for a crackdown on the pro-democracy demonstrators in Tiananmen Square and, on May 20, 1989, signed a martial law decree authorizing the entry of armed troops into the city;

Whereas Chen Xitong, currently the Chairman of the Beijing 2000 Olympic Bid Committee, has assured the International Olympic Committee in China's formal application that "neither now, nor in the future, will there emerge in Beijing organizations opposing Beijing's bid" to host the Olympic Games, thus boasting of the Chinese regime's determination to crush dissent; and

Whereas holding the Olympic Games in countries such as the People's Republic of China shifts the focus of the Olympic Games away from the high ideals behind the Olympic tradition and is counterproductive to the Olympic movement; Now, therefore, be it

Resolved, That the Senate—

(1) strongly opposes the holding of the Olympic Summer Games in the year 2000 in the city of Beijing or elsewhere in the People's Republic of China and urges the International Olympic Committee to find a more suitable venue for the Games;

(2) urges the United States representative to the International Olympic Committee to vote against holding the Olympic Summer Games in the year 2000 in the city of Beijing or elsewhere in the People's Republic of China; and

(3) directs the Secretary of the Senate to transmit a copy of this resolution to the Chairman of the International Olympic Committee and to the United States representative to the International Olympic Committee with the request that it be circulated to all members of the Committee.

Mr. BRADLEY. Mr. President, I rise to introduce a sense-of-the-Senate resolution opposing China's bid for the 2000 summer Olympics.

The President has recently decided to extend with conditions most-favored-nation status for China, resolving for this year the debate about whether to use MFN as a vehicle for expressing United States concern about human rights in that country. While the debate over MFN is important, we should not ignore other vehicles through which we might also express our concern about China's human rights practices. One such vehicle is the summer Olympics.

The Chinese Government has begun a major campaign to have Beijing selected as the host site for the summer Olympic games for the year 2000. The International Olympic Committee [IOC] will make its decision on the site for the 2000 games this September, and by all accounts, China is a leading contender.

China has one of the worst human rights records in the world. The most recent edition of the State Department's Country Reports on Human

Rights catalogs a long list of blatant and egregious violations. China's human rights record is totally inconsistent with the ideals of the Olympic games, and the controversy that will be generated by holding the games in Beijing will undermine the Olympic spirit.

As a former Olympian, I can tell you that hosting the Olympic games means a lot to a country. The presence of the Olympics sends a message to the rest of the world about that country. In Japan in 1964, the Olympics in which I participated, the message was, "we are back;" in Germany in 1972, the message was, "we are the new Germany." China wants to send a positive message about itself by hosting the 2000 Olympic games, but it has not earned the right to send that message.

I urge my colleagues to support this resolution. By doing so, we will send a clear message from the Senate that our decision to continue MFN status does not represent a diminished concern for China's human rights practices.

AMENDMENTS SUBMITTED

SUPPLEMENTAL APPROPRIATIONS ACT OF 1993

GRASSLEY AMENDMENT NO. 486

Mr. GRASSLEY proposed an amendment to the bill (H.R. 2118) making supplemental appropriations for the fiscal year ending September 30, 1993, and for other purposes, as follows:

On page 15, between lines 12 and 13, insert the following new section:

SEC. 304. (a)(1) Not later than 30 days after the date of the enactment of this Act, the Secretary of the Air Force shall, in accordance with paragraph (2), deobligate amounts totaling \$649,111,986 that—

(A) pursuant to subsection (a)(2) of section 1552 of title 31, United States Code (as such section was in effect on November 4, 1990), were restored from unobligated amounts withdrawn under that subsection; and

(B) were transferred to merged appropriation accounts established under subsection (a)(1) of such section (as such section was in effect on November 4, 1990).

(2) For each appropriation account listed below the Secretary shall deobligate amounts that total the amount specified for such account as follows:

Appropriation Account Number	Appropriation Purpose	Amount
57111081	International Military Education and Training, Executive (transfer to Air Force)	\$259,645.
57M3010	Aircraft Procurement, Air Force	\$143,388,840.
57M3020	Missile Procurement, Air Force	\$118,008,560.
57M3080	Other Procurement, Air Force	\$42,646,658.
57M3300	Military Construction, Air Force	\$25,899,568.
57M3400	Operation and Maintenance, Air Force	\$190,709,100.
57M3600	Research, Development, Test and Evaluation, Air Force	\$111,127,970.
57M3700	Reserve Personnel, Air Force	\$259,645.

Appropriation Account Number	Appropriation Purpose	Amount
57M3730	Military Construction, Air Force Reserve	\$64,911.
57M3740	Operation and Maintenance, Air Force Reserve	\$10,126,147.
57M3840	Operation and Maintenance, Air National Guard	\$6,166,564.
57M3850	National Guard Personnel, Air Force	\$454,378.

(3) Amounts deobligated pursuant to paragraph (1) are rescinded effective immediately upon deobligation.

(b) Not later than 30 days after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the deobligation and cancellation of amounts required by subsection (a).

ROTH (AND OTHERS) AMENDMENT NO. 487

Mr. ROTH (for himself, Mr. LOTT, Mr. BURNS, Mr. BENNETT, Mr. SIMPSON, Mr. MURKOWSKI, Mr. DOLE, Mr. NICKLES, Mr. MACK, Mr. CRAIG, Mr. HATCH, Mr. WALLOP, Mr. THURMOND, Mr. STEVENS, Mr. HELMS, Mr. COATS, Mr. SMITH, Mr. FAIRCLOTH, and Mr. GREGG) proposed an amendment to the bill, H.R. 2118, supra, as follows:

Immediately after title II, insert:

TITLE III—INVESTMENT AND SAVINGS INCENTIVES

SEC. 300. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Real Jobs for America Act of 1993".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

Subtitle A—Reductions in Cost of Capital and Tax Penalties on Investment

SEC. 301. INDEXING OF CERTAIN ASSETS FOR PURPOSES OF DETERMINING GAIN.

(a) IN GENERAL.—Part II of subchapter O of chapter 1 (relating to basis rules of general application) is amended by inserting after section 1021 the following new section:

"SEC. 1022. INDEXING OF CERTAIN ASSETS FOR PURPOSES OF DETERMINING GAIN.

"(a) GENERAL RULE.—

"(1) INDEXED BASIS SUBSTITUTED FOR ADJUSTED BASIS.—Except as provided in paragraph (2), in the case of an individual if an indexed asset which has been held for more than 3 years is sold or otherwise disposed of, for purposes of this title the indexed basis of the asset (solely for purposes of determining gain) shall be substituted for its adjusted basis.

"(2) EXCEPTION FOR DEPRECIATION, ETC.—The deduction for depreciation, depletion, and amortization shall be determined without regard to the application of paragraph (1) to the taxpayer or any other person.

"(b) INDEXED ASSET.—

"(1) IN GENERAL.—For purposes of this section, the term 'indexed asset' means—

"(A) stock in a corporation,

"(B) tangible property (or any interest therein) which is a capital asset or property used in the trade or business (as defined in section 1231(b)), and

"(C) the principal residence of the taxpayer (within the meaning of section 1034).

"(2) CERTAIN PROPERTY EXCLUDED.—For purposes of this section, the term 'indexed asset' does not include—

"(A) CREDITOR'S INTEREST.—Any interest in property which is in the nature of a creditor's interest.

"(B) OPTIONS.—Any option or other right to acquire an interest in property.

"(C) NET LEASE PROPERTY.—In the case of a lessor, net lease property (within the meaning of subsection (h)(1)).

"(D) CERTAIN PREFERRED STOCK.—Stock which is fixed and preferred as to dividends and does not participate in corporate growth to any significant extent.

"(E) STOCK IN CERTAIN CORPORATIONS.—Stock in—

"(i) an S corporation (within the meaning of section 1361),

"(ii) a personal holding company (as defined in section 542), and

"(iii) a foreign corporation.

"(F) COLLECTIBLES.—Any collectible (as defined in section 408(m)(2)).

"(3) EXCEPTION FOR STOCK IN FOREIGN CORPORATION WHICH IS REGULARLY TRADED ON NATIONAL OR REGIONAL EXCHANGE.—Clause (iii) of paragraph (2)(E) shall not apply to stock in a foreign corporation the stock of which is listed on the New York Stock Exchange, the American Stock Exchange, or any domestic regional exchange for which quotations are published on a regular basis other than—

"(A) stock of a foreign investment company (within the meaning of section 1246(b)), and

"(B) stock in a foreign corporation held by a United States person who meets the requirements of section 1248(a)(2).

"(c) INDEXED BASIS.—For purposes of this section—

"(1) INDEXED BASIS.—The indexed basis for any asset is—

"(A) the adjusted basis of the asset, multiplied by

"(B) the applicable inflation ratio.

"(2) APPLICABLE INFLATION RATIO.—The applicable inflation ratio for any asset is the percentage arrived at by dividing—

"(A) the CPI for the calendar year preceding the calendar year in which the disposition takes place, by

"(B) the CPI for the calendar year 1992 (or, if later, the calendar year preceding the calendar year in which the asset was acquired by the taxpayer).

The applicable inflation ratio shall not be taken into account unless it is greater than 1. The applicable inflation ratio for any asset shall be rounded to the nearest one-tenth of 1 percent.

"(3) CPI.—The CPI for any calendar year shall be determined under section 1(f)(4).

"(d) SPECIAL RULES.—For purposes of this section—

"(1) TREATMENT AS SEPARATE ASSET.—In the case of any asset, the following shall be treated as a separate asset:

"(A) a substantial improvement to property,

"(B) in the case of stock of a corporation, a substantial contribution to capital, and

"(C) any other portion of an asset to the extent that separate treatment of such portion is appropriate to carry out the purposes of this section.

"(2) ASSETS WHICH ARE NOT INDEXED ASSETS THROUGHOUT HOLDING PERIOD.—

"(A) IN GENERAL.—The applicable inflation ratio shall be appropriately reduced for calendar months at any time during which the asset was not an indexed asset.

"(B) CERTAIN SHORT SALES.—For purposes of applying subparagraph (A), an asset shall be treated as not an indexed asset for any short sale period during which the taxpayer or the taxpayer's spouse sells short property

substantially identical to the asset. For purposes of the preceding sentence, the short sale period begins on the day after the substantially identical property is sold and ends on the closing date for the sale.

“(3) TREATMENT OF CERTAIN DISTRIBUTIONS.—A distribution with respect to stock in a corporation which is not a dividend shall be treated as a disposition.

“(4) SECTION CANNOT INCREASE ORDINARY LOSS.—To the extent that (but for this paragraph) this section would create or increase a net ordinary loss to which section 1231(a)(2) applies or an ordinary loss to which any other provision of this title applies, such provision shall not apply. The taxpayer shall be treated as having a long-term capital loss in an amount equal to the amount of the ordinary loss to which the preceding sentence applies.

“(5) ACQUISITION DATE WHERE THERE HAS BEEN PRIOR APPLICATION OF SUBSECTION (A)(1) WITH RESPECT TO THE TAXPAYER.—If there has been a prior application of subsection (a)(1) to an asset while such asset was held by the taxpayer, the date of acquisition of such asset by the taxpayer shall be treated as not earlier than the date of the most recent such prior application.

“(6) COLLAPSIBLE CORPORATIONS.—The application of section 341(a) (relating to collapsible corporations) shall be determined without regard to this section.

“(e) CERTAIN CONDUIT ENTITIES.—

“(1) REGULATED INVESTMENT COMPANIES; REAL ESTATE INVESTMENT TRUSTS; COMMON TRUST FUNDS.—

“(A) IN GENERAL.—Stock in a qualified investment entity shall be an indexed asset for any calendar month in the same ratio as the fair market value of the assets held by such entity at the close of such month which are indexed assets bears to the fair market value of all assets of such entity at the close of such month.

“(B) RATIO OF 90 PERCENT OR MORE.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 90 percent or more, such ratio for such month shall be 100 percent.

“(C) RATIO OF 10 PERCENT OR LESS.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 10 percent or less, such ratio for such month shall be zero.

“(D) VALUATION OF ASSETS IN CASE OF REAL ESTATE INVESTMENT TRUSTS.—Nothing in this paragraph shall require a real estate investment trust to value its assets more frequently than once each 36 months (except where such trust ceases to exist). The ratio under subparagraph (A) for any calendar month for which there is no valuation shall be the trustee's good faith judgment as to such valuation.

“(E) QUALIFIED INVESTMENT ENTITY.—For purposes of this paragraph, the term ‘qualified investment entity’ means—

“(i) a regulated investment company (within the meaning of section 851),

“(ii) a real estate investment trust (within the meaning of section 856), and

“(iii) a common trust fund (within the meaning of section 584).

“(2) PARTNERSHIPS.—In the case of a partnership, the adjustment made under subsection (a) at the partnership level shall be passed through to the partners.

“(3) SUBCHAPTER S CORPORATIONS.—In the case of an electing small business corporation, the adjustment under subsection (a) at the corporate level shall be passed through to the shareholders.

“(f) DISPOSITIONS BETWEEN RELATED PERSONS.—

“(1) IN GENERAL.—This section shall not apply to any sale or other disposition of property between related persons except to the extent that the basis of such property in the hands of the transferee is a substituted basis.

“(2) RELATED PERSONS DEFINED.—For purposes of this section, the term ‘related persons’ means—

“(A) persons bearing a relationship set forth in section 267(b), and

“(B) persons treated as single employer under subsection (b) or (c) of section 414.

“(g) TRANSFERS TO INCREASE INDEXING ADJUSTMENT OR DEPRECIATION ALLOWANCE.—If any person transfers cash, debt, or any other property to another person and the principal purpose of such transfer is—

“(1) to secure or increase an adjustment under subsection (a), or

“(2) to increase (by reason of an adjustment under subsection (a)) a deduction for depreciation, depletion, or amortization,

the Secretary may disallow part or all of such adjustment or increase.

“(h) DEFINITIONS.—For purposes of this section—

“(1) NET LEASE PROPERTY DEFINED.—The term ‘net lease property’ means leased real property where—

“(A) the term of the lease (taking into account options to renew) was 50 percent or more of the useful life of the property, and

“(B) for the period of the lease, the sum of the deductions with respect to such property which are allowable to the lessor solely by reason of section 162 (other than rents and reimbursed amounts with respect to such property) is 15 percent or less of the rental income produced by such property.

“(2) STOCK INCLUDES INTEREST IN COMMON TRUST FUND.—The term ‘stock in a corporation’ includes any interest in a common trust fund (as defined in section 584(a)).

“(i) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.”

(b) ADJUSTMENT TO APPLY FOR PURPOSES OF DETERMINING EARNINGS AND PROFITS.—Subsection (f) of section 312 of such Code (relating to effect on earnings and profits of gain or loss and of receipt of tax-free distributions) is amended by adding at the end thereof the following new paragraph:

“(3) EFFECT ON EARNINGS AND PROFITS OF INDEXED BASIS.—For substitution of indexed basis for adjusted basis in the case of the disposition of certain assets on or after January 1, 1999, see section 1022(a)(1).”

(c) CLERICAL AMENDMENT.—The table of sections for part II of subchapter O of such chapter 1 is amended by inserting after the item relating to section 1021 the following new item:

“Sec. 1022. Indexing of certain assets for purposes of determining gain or loss.”

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to dispositions on or after January 1, 1993, in taxable years ending after such date.

SEC. 302. MODIFICATION TO MINIMUM TAX DEPRECIATION RULES.

(a) GENERAL RULE.—Paragraph (1) of section 56(a) (relating to depreciation) is amended by redesignating subparagraphs (B), (C), and (D) as subparagraphs (C), (D), and (E), respectively, and by inserting after subparagraph (A) the following new subparagraph:

“(B) TREATMENT OF CERTAIN PERSONAL PROPERTY PLACED IN SERVICE AFTER JUNE 30, 1993.—

“(i) IN GENERAL.—In the case of any property to which this subparagraph applies, the depreciation deduction allowable under section 167 shall be determined under the alternative system under section 168(g), except that the method of depreciation used shall be the method used for purposes of section 168.

“(ii) PROPERTY TO WHICH SUBPARAGRAPH APPLIES.—This subparagraph shall apply to any tangible property placed in service after June 30, 1993, except that this subparagraph shall not apply to any residential rental property or nonresidential real property (within the meaning of section 168(e)).

“(iii) COORDINATION WITH SUBPARAGRAPH (A).—Subparagraph (A) shall not apply to any property to which this subparagraph applies.”

(b) ELIMINATION OF ACE DEPRECIATION ADJUSTMENT.—Clause (i) of section 56(g)(4)(A) (relating to depreciation adjustments for computing adjusted current earnings) is amended by adding at the end thereof the following new sentence: “The preceding sentence shall not apply to any property to which subsection (a)(1)(B) applies, and the depreciation deduction with respect to such property shall be determined under the rules of subsection (a)(1)(B).”

(c) CONFORMING AMENDMENTS.—Section 56(g)(4) is amended by striking subparagraphs (E), (F), and (G) and by redesignating subparagraph (I) as subparagraph (E).

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in this subsection, the amendments made by this section shall apply to property placed in service after June 30, 1993.

(2) CONFORMING CHANGES.—The amendments made by subsection (c) shall apply to exchanges, acquisitions, and ownership changes after the date of the enactment of this Act.

(3) COORDINATION WITH TRANSITIONAL RULES.—The amendments made by this section shall not apply to any property to which paragraph (1) of section 56(a) of the Internal Revenue Code of 1986 does not apply by reason of subparagraph (D)(i) thereof (as redesignated by subsection (a) of this section).

Subtitle B—Investment in Small Business
SEC. 311. INCREASE IN EXPENSE TREATMENT FOR SMALL BUSINESS.

(a) GENERAL RULE.—Paragraph (1) of section 179(b) (relating to dollar limitation) is amended by striking “\$10,000” and inserting “\$25,000”.

(b) INDEXATION.—Section 179(b) is amended by adding at the end the following new paragraph:

“(5) INDEXATION.—In the case of any taxable year beginning after 1994, the \$25,000 amount under paragraph (1) shall be increased by an amount equal to such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, except that section 1(f)(3)(B) shall be applied by substituting ‘1993’ for ‘1989’. The amount determined under the preceding sentence shall be rounded to the nearest multiple of \$100.”

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after June 30, 1992.

Subtitle C—Increased Savings Through Individual Retirement Accounts
PART I—IRA DEDUCTION

SEC. 321. RESTORATION OF IRA DEDUCTION.

(a) IN GENERAL.—Section 219 (relating to deduction for retirement savings) is amended by striking subsection (g) and by redesignating subsection (h) as subsection (g).

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Subsection (f) of section 219 is amended by striking paragraph (7).

(2) Paragraph (5) of section 408(d) is amended by striking the last sentence.

(3) Section 408(o) is amended by adding at the end thereof the following new paragraph:

“(5) **TERMINATION.**—This subsection shall not apply to any designated nondeductible contribution for any taxable year beginning after December 31, 1995.”

(4) Subsection (b) of section 4973 is amended by striking the last sentence.

(c) EFFECTIVE DATES.—

(1) **IN GENERAL.**—The amendments made by this section shall apply to taxable years beginning after December 31, 1995.

(2) **SPECIAL ACCOUNTS.**—For purposes of applying section 408A of the Internal Revenue Code of 1986 (as added by section 131), the amendments made by this section shall apply to taxable years beginning after December 31, 1993 (and to qualified transfers after the date of the enactment of this Act).

SEC. 322. INFLATION ADJUSTMENT FOR DEDUCTIBLE AMOUNT.

(a) **IN GENERAL.**—Section 219, as amended by section 321, is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

“(g) COST-OF-LIVING ADJUSTMENTS.—

“(1) **IN GENERAL.**—If the cost-of-living amount for any calendar year is equal to or greater than \$500, then each applicable dollar amount (as previously adjusted under this subsection) for any taxable year beginning in any subsequent calendar year shall be increased by \$500.

“(2) **COST-OF-LIVING AMOUNT.**—The cost-of-living amount for any calendar year is the excess (if any) of—

“(A) \$2,000, increased by the cost-of-living adjustment for such calendar year, over

“(B) the applicable dollar amount in effect under subsection (b)(1)(A) for taxable years beginning in such calendar year.

“(3) **COST-OF-LIVING ADJUSTMENT.**—For purposes of this subsection—

“(A) **IN GENERAL.**—The cost-of-living adjustment for any calendar year is the percentage (if any) by which—

“(i) the CPI for such calendar year, exceeds

“(ii) the CPI for 1994.

“(B) **CPI FOR ANY CALENDAR YEAR.**—The CPI for any calendar year shall be determined in the same manner as under section 1(f)(4).

“(4) **APPLICABLE DOLLAR AMOUNT.**—For purposes of this subsection, the term ‘applicable dollar amount’ means the dollar amount in effect under any of the following provisions:

“(A) Subsection (b)(1)(A).

“(B) Subsection (c)(2)(A)(i).

“(C) The last sentence of subsection (c)(2).”

(b) CONFORMING AMENDMENTS.—

(1) Section 408(a)(1) is amended by striking “in excess of \$2,000 on behalf of any individual” and inserting “on behalf of any individual in excess of the amount in effect for such taxable year under section 219(b)(1)(A)”.

(2) Section 408(b)(2)(B) is amended by striking “\$2,000” and inserting “the dollar amount in effect under section 219(b)(1)(A)”.

(3) Section 408(d)(5) is amended by striking “\$2,250” and inserting “the dollar amount in effect for such taxable year under section 219(c)(2)(A)(i)”.

(4) Section 408(j) is amended by striking “\$2,000”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 1995.

SEC. 323. COORDINATION OF IRA DEDUCTION LIMIT WITH ELECTIVE DEFERRAL LIMIT.

(a) **IN GENERAL.**—Section 219(b) (relating to maximum amount of deduction) is amended by adding at the end thereof the following new paragraph:

“(4) **COORDINATION WITH ELECTIVE DEFERRAL LIMIT.**—The amount determined under paragraph (1) or subsection (c)(2) with respect to any individual for any taxable year shall not exceed the excess (if any) of—

“(A) the maximum amount of elective deferrals of the individual which are excludable from gross income for the taxable year under section 402(g)(1), over

“(B) the amount so excluded.”

(b) **CONFORMING AMENDMENT.**—Section 219(c) is amended by adding at the end thereof the following new paragraph:

“(3) **CROSS REFERENCE.**—

“**For reduction in paragraph (2) amount, see subsection (b)(4).**”

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 1995.

PART II—NONDEDUCTIBLE TAX-FREE IRAS
SEC. 331. ESTABLISHMENT OF NONDEDUCTIBLE TAX-FREE INDIVIDUAL RETIREMENT ACCOUNTS.

(a) **IN GENERAL.**—Subpart A of part I of subchapter D of chapter 1 (relating to pension, profit-sharing, stock bonus plans, etc.) is amended by inserting after section 408 the following new section:

“SEC. 408A. INDIVIDUAL RETIREMENT PLUS ACCOUNTS.

“(a) **GENERAL RULE.**—Except as provided in this section, an individual retirement plus account shall be treated for purposes of this title in the same manner as an individual retirement plan.

“(b) **INDIVIDUAL RETIREMENT PLUS ACCOUNT.**—For purposes of this title, the term ‘individual retirement plus account’ means an individual retirement plan which is designated at the time of establishment of the plan as an individual retirement plus account.

“(c) TREATMENT OF CONTRIBUTIONS.—

“(1) **NO DEDUCTION ALLOWED.**—No deduction shall be allowed under section 219 for a contribution to an individual retirement plus account.

“(2) **CONTRIBUTION LIMIT.**—The aggregate amount of contributions for any taxable year to all individual retirement plus accounts maintained for the benefit of an individual shall not exceed the excess (if any) of—

“(A) the maximum amount allowable as a deduction under section 219 with respect to such individual for such taxable year, over

“(B) the amount so allowed.

“(3) SPECIAL RULES FOR QUALIFIED TRANSFERS.—

“(A) **IN GENERAL.**—No rollover contribution may be made to an individual retirement plus account unless it is a qualified transfer.

“(B) **LIMIT NOT TO APPLY.**—The limitation under paragraph (2) shall not apply to a qualified transfer to an individual retirement plus account.

“(d) TAX TREATMENT OF DISTRIBUTIONS.—

“(1) **IN GENERAL.**—Except as provided in this subsection, any amount paid or distributed out of an individual retirement plus account shall not be included in the gross income of the distributee.

“(2) **EXCEPTION FOR EARNINGS ON CONTRIBUTIONS HELD LESS THAN 5 YEARS.—**

“(A) **IN GENERAL.**—Any amount distributed out of an individual retirement plus account which consists of earnings allocable to contributions made to the account during the 5-

year period ending on the day before such distribution shall be included in the gross income of the distributee for the taxable year in which the distribution occurs.

“(B) ORDERING RULE.—

“(i) **FIRST-IN, FIRST-OUT RULE.**—Distributions from an individual retirement plus account shall be treated as having been made—

“(I) first from the earliest contribution (and earnings allocable thereto) remaining in the account at the time of the distribution, and

“(II) then from other contributions (and earnings allocable thereto) in the order in which made.

“(ii) **ALLOCATIONS BETWEEN CONTRIBUTIONS AND EARNINGS.**—Any portion of a distribution allocated to a contribution (and earnings allocable thereto) shall be treated as allocated first to the earnings and then to the contribution.

“(iii) **ALLOCATION OF EARNINGS.**—Earnings shall be allocated to a contribution in such manner as the Secretary may by regulations prescribe.

“(iv) **CONTRIBUTIONS IN SAME YEAR.**—Except as provided in regulations, all contributions made during the same taxable year may be treated as 1 contribution for purposes of this subparagraph.

“(C) CROSS REFERENCE.—

“**For additional tax for early withdrawal, see section 72(t).**”

“(3) QUALIFIED TRANSFER.—

“(A) **IN GENERAL.**—Paragraph (2) shall not apply to any distribution which is transferred in a qualified transfer to another individual retirement plus account.

“(B) **CONTRIBUTION PERIOD.**—For purposes of paragraph (2), the individual retirement plus account to which any contributions are transferred shall be treated as having held such contributions during any period such contributions were held (or are treated as held under this subparagraph) by the individual retirement plus account from which transferred.

“(4) SPECIAL RULES RELATING TO CERTAIN TRANSFERS.—

“(A) **IN GENERAL.**—Notwithstanding any other provision of law, in the case of a qualified transfer to an individual retirement plus account from an individual retirement plan or qualified plan which is not an individual retirement plus account—

“(i) there shall be included in gross income any amount which, but for the qualified transfer, would be includible in gross income, but

“(ii) section 72(t) shall not apply to such amount.

“(B) **4-YEAR RATABLE INCLUSION.**—In the case of any qualified transfer described in subparagraph (A) which is made during the phase-in period, any amount includible in gross income under subparagraph (A) with respect to such contribution shall be includible ratably over the 4-taxable year period beginning in the taxable year in which the amount was paid or distributed out of the individual retirement plan.

“(C) **PHASE-IN PERIOD.**—For purposes of subparagraph (B), the term ‘phase-in period’ means the period beginning on the date of the enactment of this section and ending on the last day of the 2d calendar year following the calendar year in which such date of enactment occurs.”

“(e) **QUALIFIED TRANSFER.**—For purposes of this section—

“(1) **IN GENERAL.**—The term ‘qualified transfer’ means a transfer to an individual retirement plus account—

“(A) from another such account; or

"(B) from an individual retirement plan or qualified plan, but only if such transfer meets the requirements of section 408(d)(3).

"(2) QUALIFIED PLAN.—The term 'qualified plan' means any trust or contract described in section 72(e)(5)(D) (i) or (ii).

(b) EARLY WITHDRAWAL PENALTY.—Section 72(t), as amended by section 141(c), is amended by adding at the end thereof the following new paragraph:

"(8) RULES RELATING TO SPECIAL INDIVIDUAL RETIREMENT ACCOUNTS.—In the case of an individual retirement plus account under section 408A—

"(A) this subsection shall only apply to distributions out of such account which consist of earnings allocable to contributions made to the account during the 5-year period ending on the day before such distribution, and

"(B) paragraph (2)(A)(i) shall not apply to any distribution described in subparagraph (A)."

(c) EXCESS CONTRIBUTIONS.—Section 4973(b) is amended by adding at the end thereof the following new sentence: "For purposes of paragraphs (1)(B) and (2)(C), the amount allowable as a deduction under section 219 shall be computed without regard to section 408A."

(d) CONFORMING AMENDMENT.—The table of sections for subpart A of part I of subchapter D of chapter 1 is amended by inserting after the item relating to section 408 the following new item:

"Sec. 408A. Individual retirement plus accounts."

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 1993.

(2) QUALIFIED TRANSFERS IN 1993.—The amendments made by this section shall apply to any qualified transfer after the date of the enactment of this Act.

PART III—PENALTY-FREE DISTRIBUTIONS
SEC. 341. DISTRIBUTIONS FROM CERTAIN PLANS MAY BE USED WITHOUT PENALTY TO PURCHASE FIRST HOMES, TO PAY HIGHER EDUCATION OR FINANCIALLY DEVASTATING MEDICAL EXPENSES, OR BY THE LONG-TERM UNEMPLOYED.

(a) IN GENERAL.—Paragraph (2) of section 72(t) (relating to exceptions to 10-percent additional tax on early distributions from qualified retirement plans) is amended by adding at the end thereof the following new subparagraph:

"(D) DISTRIBUTIONS FROM CERTAIN PLANS FOR FIRST HOME PURCHASES OR EDUCATIONAL EXPENSES.—Distributions to an individual from an individual retirement plan, or from amounts attributable to employer contributions made pursuant to elective deferrals described in subparagraph (A) or (C) of section 402(g)(3) or section 501(c)(18)(D)(iii)—

"(i) which are qualified first-time homebuyer distributions (as defined in paragraph (6)); or

"(ii) to the extent such distributions do not exceed the qualified higher education expenses (as defined in paragraph (7)) of the taxpayer for the taxable year."

(b) FINANCIALLY DEVASTATING MEDICAL EXPENSES.—

(1) IN GENERAL.—Section 72(t)(3)(A) is amended by striking "(B)".

(2) CERTAIN LINEAL DESCENDANTS AND ANCESTORS TREATED AS DEPENDENTS.—Subparagraph (B) of section 72(t)(2) is amended by striking "medical care" and all that follows and inserting "medical care determined—

"(i) without regard to whether the employee itemizes deductions for such taxable year, and

"(ii) by treating such employee's dependents as including—

"(I) all children and grandchildren of the employee or such employee's spouse, and

"(II) all ancestors of the employee or such employee's spouse."

(3) CONFORMING AMENDMENT.—Subparagraph (B) of section 72(t)(2) is amended by striking "or (C)" and inserting ", (C) or (D)".

(c) DEFINITIONS.—Section 72(t) is amended by adding at the end thereof the following new paragraphs:

"(6) QUALIFIED FIRST-TIME HOMEBUYER DISTRIBUTIONS.—For purposes of paragraph (2)(D)(i)—

"(A) IN GENERAL.—The term 'qualified first-time homebuyer distribution' means any payment or distribution received by an individual to the extent such payment or distribution is used by the individual before the close of the 60th day after the day on which such payment or distribution is received to pay qualified acquisition costs with respect to a principal residence of a first-time homebuyer who is such individual or the spouse, child, or grandchild of such individual.

"(B) QUALIFIED ACQUISITION COSTS.—For purposes of this paragraph, the term 'qualified acquisition costs' means the costs of acquiring, constructing, or reconstructing a residence. Such term includes any usual or reasonable settlement, financing, or other closing costs.

"(C) FIRST-TIME HOMEBUYER; OTHER DEFINITIONS.—For purposes of this paragraph—

"(i) FIRST-TIME HOMEBUYER.—The term 'first-time homebuyer' means any individual if—

"(I) such individual (and if married, such individual's spouse) had no present ownership interest in a principal residence during the 3-year period ending on the date of acquisition of the principal residence to which this paragraph applies, and

"(II) subsection (a)(6), (h), or (k) of section 1034 did not suspend the running of any period of time specified in section 1034 with respect to such individual on the day before the date the distribution is applied pursuant to subparagraph (A).

"(ii) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 1034.

"(iii) DATE OF ACQUISITION.—The term 'date of acquisition' means the date—

"(I) on which a binding contract to acquire the principal residence to which subparagraph (A) applies is entered into, or

"(II) on which construction or reconstruction of such a principal residence is commenced.

"(D) SPECIAL RULE WHERE DELAY IN ACQUISITION.—If any distribution from any individual retirement plan falls to meet the requirements of subparagraph (A) solely by reason of a delay or cancellation of the purchase or construction of the residence, the amount of the distribution may be contributed to an individual retirement plan as provided in section 408(d)(3)(A)(i) (determined by substituting '120 days' for '60 days' in such section), except that—

"(i) section 408(d)(3)(B) shall not be applied to such contribution, and

"(ii) such amount shall not be taken into account in determining whether section 408(d)(3)(A)(i) applies to any other amount.

"(7) QUALIFIED HIGHER EDUCATION EXPENSES.—For purposes of paragraph (2)(D)(ii)—

"(A) IN GENERAL.—The term 'qualified higher education expenses' means tuition,

fees, books, supplies, and equipment required for the enrollment or attendance of—

"(i) the taxpayer,

"(ii) the taxpayer's spouse, or

"(iii) the taxpayer's child (as defined in section 151(c)(3)) or grandchild, at an eligible educational institution (as defined in section 135(c)(3)).

"(B) COORDINATION WITH SAVINGS BOND PROVISIONS.—The amount of qualified higher education expenses for any taxable year shall be reduced by any amount excludable from gross income under section 135."

(d) PENALTY-FREE DISTRIBUTIONS FOR CERTAIN UNEMPLOYED INDIVIDUALS.—Paragraph (2) of section 72(t) is amended by adding at the end thereof the following new subparagraph:

"(E) DISTRIBUTIONS TO UNEMPLOYED INDIVIDUALS.—A distribution from an individual retirement plan (other than a plan referred to in subclause (I) or (II) of paragraph (6)(A)(iii)) to an individual after separation from employment, if—

"(i) such individual has received unemployment compensation for 12 consecutive weeks under any Federal or State unemployment compensation law by reason of such separation, and

"(ii) such distributions are made during any taxable year during which such unemployment compensation is paid or the succeeding taxable year.

To the extent provided in regulations, a self-employed individual shall be treated as meeting the requirements of clause (i) if, under Federal or State unemployment compensation, the individual would have received unemployment compensation for 12 consecutive weeks but for the fact the individual was self-employed."

(e) SPECIAL RULE FOR CERTAIN DISASTER VICTIMS.—For purposes of section 72(t)(6) of the Internal Revenue Code of 1986, an individual whose principal residence was destroyed or substantially damaged by Hurricane Andrew, Hurricane Iniki, or Typhoon Omar shall be treated as a first-time homebuyer with respect to such residence if the individual rebuilds it or with respect to any other principal residence acquired to replace such residence.

(f) CONFORMING AMENDMENTS.—

(1) Section 401(k)(2)(B)(i) is amended by striking "or" at the end of subclause (III), by striking "and" at the end of subclause (IV) and inserting "or", and by inserting after subclause (IV) the following new subclause:

"(V) the date on which qualified first-time homebuyer distributions (as defined in section 72(t)(6)) or distributions for qualified higher education expenses (as defined in section 72(t)(7)) are made, and".

(2) Section 403(b)(11) is amended by striking "or" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", or", and by inserting after subparagraph (B) the following new subparagraph:

"(C) for qualified first-time homebuyer distributions (as defined in section 72(t)(6)) or for the payment of qualified higher education expenses (as defined in section 72(t)(7))."

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to payments and distributions after December 31, 1993.

SEC. 342. CONTRIBUTIONS MUST BE HELD AT LEAST 5 YEARS IN CERTAIN CASES.

(a) IN GENERAL.—Section 72(t), as amended by section 331(b), is amended by adding at the end thereof the following new paragraph:

"(9) CERTAIN CONTRIBUTIONS MUST BE HELD 5 YEARS.—

"(A) IN GENERAL.—Paragraph (2)(A)(i) shall not apply to any amount distributed out of an individual retirement plan (other than an individual retirement plus account) which is allocable to contributions made to the plan during the 5-year period ending on the date of such distribution (and earnings on such contributions).

"(B) ORDERING RULE.—For purposes of this paragraph, distributions shall be treated as having been made—

"(i) first from the earliest contribution (and earnings allocable thereto) remaining in the account at the time of the distribution, and

"(ii) then from other contributions (and earnings allocable thereto) in the order in which made.

Earnings shall be allocated to contributions in such manner as the Secretary may prescribe.

"(C) SPECIAL RULE FOR ROLLOVERS.—

"(i) PENSION PLANS.—Subparagraph (A) shall not apply to distributions out of an individual retirement plan which are allocable to rollover contributions to which section 402(c), 403(a)(4), or 403(b)(8) applied.

"(ii) CONTRIBUTION PERIOD.—For purposes of subparagraph (A), amounts shall be treated as having been held by a plan during any period such contributions were held (or are treated as held under this clause) by any individual retirement plan from which transferred.

"(D) PLUS ACCOUNTS.—For rules applicable to individual retirement plus accounts under section 408A, see paragraph (8)."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions (and earnings allocable thereto) which are made after the date of the enactment of this Act.

Subtitle D—Incentives for Private Businesses To Hire New Employees

SEC. 351. REFUNDABLE TAX CREDIT FOR HIRING NEW EMPLOYEES.

(a) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 (relating to refundable credits) is amended by redesignating section 35 as section 36 and by inserting after section 34 the following new section:

"SEC. 35. EMPLOYMENT TAXES ON NEW EMPLOYEES.

"(a) ALLOWANCE OF CREDIT.—There shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to the employment taxes paid on the qualified wages of eligible new employees of the employer.

"(b) ELIGIBLE NEW EMPLOYEES.—For purposes of this section—

"(1) IN GENERAL.—The term 'eligible new employee' means, with respect to any employer, an employee who first begins work for the employer during the period beginning July 1, 1993, and ending June 30, 1994, and

"(2) REPLACEMENT EMPLOYEES NOT COUNTED.—

"(A) IN GENERAL.—The number of employees treated as eligible new employees for any payroll period shall not exceed the excess (if any) of—

"(i) the number of full-time employees of the employer during the payroll period, over

"(ii) the average number of full-time employees of the employer during the 12-month period ending on June 30, 1993.

"(B) ORDERING RULE.—If subparagraph (A) results in a reduction in the number of employees who may be treated as eligible new employees for any payroll period, such reduction shall come from employees with the highest wages for such period.

"(c) EMPLOYMENT TAXES; WAGES.—For purposes of this section—

"(1) EMPLOYMENT TAXES.—The term 'employment taxes' means—

"(A) the amount of the taxes imposed by subsections (a) and (b) of section 3111 (relating to Social Security taxes),

"(B) the amount of the taxes imposed by section 3221 (relating to tier 1 railroad retirement taxes), and

"(C) the tax imposed by section 3301 (relating to unemployment taxes).

"(2) QUALIFIED WAGES.—

"(A) IN GENERAL.—The term 'qualified wages' means, with respect to any employee, wages paid or incurred by the employer which are attributable to services rendered by the employee during the 6-month period beginning with the day the employee begins work for the employer. Such term shall not include wages treated as qualified first-year wages under section 51.

"(B) WAGES.—The term 'wages' means any wages with respect to which employment taxes are required to be paid.

"(d) DENIAL OF DEDUCTION.—No deduction shall be allowed with respect to any wages to the extent a credit is allowed under this section with respect to such wages.

"(e) SPECIAL RULES.—Rules similar to the rules of subsections (f), (h), (i), and (k) of section 51 and the rules of section 52 shall apply for purposes of this section."

(b) COORDINATION WITH REFUND PROVISION.—For purposes of section 1324(b)(2) of title 31 of the United States Code, section 35 of the Internal Revenue Code of 1986 shall be considered to be a credit provision of the Internal Revenue Code of 1954 enacted before January 1, 1978.

(c) CONFORMING AMENDMENTS.—(1) Subparagraph (A) of section 51(i)(1) is amended by inserting "or, if the taxpayer is an entity other than a corporation, to any individual who owns, directly or indirectly, more than 50 percent of the capital and profits interests in the entity," after "of the corporation".

(2) The table of sections for subpart C of part IV of subchapter A of chapter 1 is amended by striking the item relating to section 35 and inserting the following new items:

"Sec. 35. Employment taxes on new employees.

"Sec. 36. Overpayments of tax."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 352. REPEAL OF LUXURY EXCISE TAXES.

(a) IN GENERAL.—Chapter 31 (relating to retail excise taxes) is amended by striking subchapter A and by redesignating subchapters B and C as subchapters A and B, respectively.

(b) CONFORMING AMENDMENTS.—

(1) The material preceding paragraph (1) of section 4221(a) is amended by striking "subchapter A or C of chapter 31" and inserting "section 4051".

(2) Subsection (a) of section 4221 is amended by striking the last sentence.

(3) Subsection (c) of section 4221 is amended by striking "section 4001(c), 4002(b), 4003(c), 4004(a), or 4053(a)(6)" and inserting "section 4053(a)(6)".

(4) Paragraph (1) of section 4221(d) is amended by striking "taxes imposed by subchapter A or C of chapter 31" and inserting "the tax imposed by section 4051".

(5) Subsection (d) of section 4222 is amended by striking "sections 4001(c), 4002(b), 4003(c), 4004(a), 4053(a)(6)" and inserting "sections 4053(a)(6)".

(6) Section 4293 is amended by striking "subchapter A of chapter 31".

(7) The table of subchapters for chapter 31 is amended to read as follows:

"SUBCHAPTER A. Special fuels.

"SUBCHAPTER B. Heavy trucks and trailers."

(c) EXEMPTION FROM LUXURY EXCISE TAX FOR CERTAIN EQUIPMENT INSTALLED ON PASSENGER VEHICLES FOR USE BY DISABLED INDIVIDUALS.—

(1) IN GENERAL.—Paragraph (3) of section 4004(b) (relating to separate purchase of article and parts and accessories therefor), as in effect on the day before the date of the enactment of this Act, is amended—

(A) by striking "or" at the end of subparagraph (A),

(B) by redesignating subparagraph (B) as subparagraph (C),

(C) by inserting after subparagraph (A) the following new subparagraph:

"(B) the part or accessory is installed on a passenger vehicle to enable or assist an individual with a disability to operate the vehicle, or to enter or exit the vehicle, by compensating for the effect of such disability, or", and

(D) by inserting after subparagraph (C) the following flush sentence:

"The price of any part or accessory (and its installation) to which paragraph (1) does not apply by reason of this paragraph shall not be taken into account under paragraph (2)(A)."

(2) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in the amendments made by section 11221(a) of the Omnibus Budget Reconciliation Act of 1990.

(3) PERIOD FOR FILING CLAIMS.—If refund or credit of any overpayment of tax resulting from the application of the amendments made by this subsection is prevented at any time before the close of the 1-year period beginning on the date of the enactment of this Act by the operation of any law or rule of law (including res judicata), refund or credit of such overpayment (to the extent attributable to such amendments) may, nevertheless, be made or allowed if claim therefore is filed before the close of such 1-year period.

(d) EFFECTIVE DATE.—Except as provided in subsection (c)(2), the amendments made by this section shall take effect on January 1, 1993.

SEC. 353. APPLICATION OF PASSIVE LOSS RULES TO RENTAL REAL ESTATE ACTIVITIES.

(a) RENTAL REAL ESTATE ACTIVITIES OF PERSONS IN REAL PROPERTY BUSINESS NOT AUTOMATICALLY TREATED AS PASSIVE ACTIVITIES.—Subsection (c) of section 469 (defining passive activity) is amended by adding at the end thereof the following new paragraph:

"(7) SPECIAL RULES FOR TAXPAYERS IN REAL PROPERTY BUSINESS.—

"(A) IN GENERAL.—If this paragraph applies to any taxpayer for a taxable year—

"(i) paragraph (2) shall not apply to any rental real estate activity of such taxpayer for such taxable year, and

"(ii) this section shall be applied as if each interest of the taxpayer in rental real estate were a separate activity.

Notwithstanding clause (ii), a taxpayer may elect to treat all interests in rental real estate as 1 activity. Nothing in the preceding provisions of this subparagraph shall be construed as affecting the determination of whether the taxpayer materially participates with respect to any interest in a limited partnership as a limited partner.

"(B) TAXPAYERS TO WHOM PARAGRAPH APPLIES.—This paragraph shall apply to a taxpayer for a taxable year if more than one-

half of the personal services performed in trades or businesses by the taxpayer during such taxable year are performed in real property trades or businesses in which the taxpayer materially participates.

"(C) REAL PROPERTY TRADE OR BUSINESS.—For purposes of this paragraph, the term 'real property trade or business' means any real property development, redevelopment, construction, reconstruction, acquisition, conversion, rental, operation, management, leasing, or brokerage trade or business.

"(D) SPECIAL RULES FOR SUBPARAGRAPH (B).—

"(i) CLOSELY HELD C CORPORATIONS.—In the case of a closely held C corporation, the requirements of subparagraph (B) shall be treated as met for any taxable year if more than 50 percent of the gross receipts of such corporation for such taxable year are derived from real property trades or businesses in which the corporation materially participates.

"(ii) PERSONAL SERVICES AS AN EMPLOYEE.—For purposes of subparagraph (B), personal services performed as an employee shall not be treated as performed in real property trades or businesses. The preceding sentence shall not apply if such employee is a 5-percent owner (as defined in section 416(i)(1)(B)) in the employer."

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 469(c) is amended by striking "The" and inserting "Except as provided in paragraph (7), the".

(2) Clause (iv) of section 469(i)(3)(E) is amended by inserting "or any loss allowable by reason of subsection (c)(7)" after "loss".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1992.

Subtitle E—Deficit Reductions

PART 1—EXTENSION OF THE CAPS ON DISCRETIONARY SPENDING

SEC. 361. EXTENSION OF THE CAPS.

(a) FISCAL YEARS 1994 AND 1995.—The overall discretionary spending limits established in section 601(a)(2) of the Congressional Budget Act of 1974 for fiscal years 1994 and 1995 as in effect on the date of enactment of this Act are reduced by—

(1) \$5,631,000,000 in outlays for fiscal year 1994; and

(2) \$8,290,000,000 in outlays for fiscal year 1995.

(b) FISCAL YEARS 1996, 1997, AND 1998.—

(1) IN GENERAL.—For fiscal years 1996, 1997, and 1998, there shall be caps on discretionary spending as provided in section 601(a)(2) of the Congressional Budget Act of 1974 for fiscal years 1994 and 1995, subject to the provisions of paragraphs (2) and (3).

(2) LEVEL OF LIMITS.—The discretionary limits on new budget authority and outlays for fiscal years 1996, 1997, and 1998 shall be—

(A) the levels assumed in H. Con. Res. 64, agreed to March 31, 1993, for such fiscal years, reduced by

(B)(i) \$10,232,000,000, in outlays for fiscal year 1996;

(ii) \$11,368,000,000, in outlays for fiscal year 1997; and

(iii) \$11,937,000,000, in outlays for fiscal year 1998.

(3) EXTENSION OF LAW.—The provisions of the Balanced Budget and Emergency Deficit Control Act of 1985 and the Congressional Budget Act of 1974 relating to the enforcement of the discretionary spending limit for fiscal years 1994 and 1995 are extended through fiscal year 1998 for the purpose of enforcing the limits set forth in this subsection.

PART 2—SPENDING CUTS

SEC. 371. PERMANENT ELIMINATION OF THE ALTERNATIVE-FORM-OF-ANNUITY OPTION EXCEPT FOR INDIVIDUALS WITH A CRITICAL MEDICAL CONDITION.

(a) CIVIL SERVICE RETIREMENT SYSTEM; FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—Sections 8343a and 8420a of title 5, United States Code, are each amended—

(1) in subsection (a) by striking "an employee or Member may," and inserting "any employee or Member who has a life-threatening affliction or other critical medical condition may,"; and

(2) by striking subsection (f).

(b) FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM.—Section 807(e)(1) of the Foreign Service Act of 1980 (22 U.S.C. 4047(e)(1)) is amended by striking "a participant may," and inserting "any participant who has a life-threatening affliction or other critical medical condition may,".

(c) CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM.—Section 294(a) of the Central Intelligence Agency Retirement Act (50 U.S.C. 2143(a)), as set forth in section 802 of the CIARDS Technical Corrections Act of 1992 (Public Law 102-496; 106 Stat. 3196), is amended by striking "a participant may," and inserting "any participant who has a life-threatening affliction or other critical medical condition may,".

(d) EFFECTIVE DATE.—The amendments made by this section shall become effective on January 1, 1994, and shall apply with respect to any annuity commencing on or after that date.

SEC. 372. GROUP HEALTH PLAN INFORMATION REPORTING.

(a) IN GENERAL.—Subsection (a) of section 6051 of the Internal Revenue Code of 1986 (relating to receipts for employees) is amended—

(1) by striking "and" at the end of paragraph (8),

(2) by striking the period at the end of paragraph (9) and inserting ", and", and

(3) by inserting after paragraph (9) the following new paragraph:

"(10) whether a group health plan (as defined in section 6103(1)(12)(E)(ii) is available to the employee and the plan coverage (single or family) elected by such employee (if any)."

(b) DISCLOSURE OF INFORMATION.—Paragraph (12) of section 6103(1) of the Internal Revenue Code of 1986 (relating to disclosure of returns and return information for purposes other than tax administration) is amended—

(1) by striking "the Administrator of the Health Care Financing Administration, disclose to the Administrator" in subparagraph (B) and inserting "the applicable official, disclose to such official",

(2) by adding at the end of subparagraph (B) the following new clause:

"(iv) With respect to each such medicare beneficiary and spouse (if any), the group health plan information required under section 6051(a)(10)."

(3) by striking the matter preceding clause (i) of subparagraph (C) and inserting the following:

"(C) DISCLOSURE BY OFFICIAL.—With respect to the information disclosed under subparagraph (B), the applicable official may disclose—"

(4) by striking "as having received wages from the employer" in subparagraph (C)(i),

(5) by striking "such Administrator" each place it appears in subparagraph (C)(iii) and inserting "such official",

(6) by striking clause (iii) of subparagraph (E), and inserting the following new clause:

"(iii) APPLICABLE OFFICIAL.—The term 'applicable official' means—

"(I) the Administrator of the Health Care Financing Administration,

"(II) the Secretary of Defense,

"(III) the Secretary of Veterans Affairs, and

"(IV) the Director of the Office of Personnel Management,".

(7) by striking "qualified employer" each place it appears and inserting "employer",

(8) by striking subparagraph (F), and

(9) by inserting "AND GROUP HEALTH PLAN" in the heading thereof.

(c) DATA BANK.—Paragraph (5) of section 1862(b) of the Social Security Act (42 U.S.C. 1395y(b)) is amended by adding at the end thereof the following new subparagraph:

"(F) MEDICARE SECONDARY PAYER DATA BANK.—The Secretary shall collect and store in a data bank established for purposes of this subsection the information provided to the Secretary by entities as described in this paragraph along with such further information on medicare secondary payer situations as the Secretary deems appropriate not later than July 1, 1994."

(d) CONFORMING AMENDMENTS.—Paragraph (5) of section 1862(b) of the Social Security Act (42 U.S.C. 1395y(b)) is amended—

(1) by striking "a qualified employer (as defined in section 6103(1)(12)(D)(iii) of such Code)" in subparagraph (C)(i) and inserting "an employer", and

(2) by striking clause (iii) of subparagraph (C).

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1992.

SEC. 373. ADDITIONAL SPENDING REDUCTIONS.

It is the sense of the Congress that the reductions in discretionary spending as set forth in section 201 of this Act shall be achieved by—

(1) reducing Federal aid for mass transit;

(2) eliminating highway demonstration programs;

(3) modifying the Service Contact Act by eliminating the successorship provision;

(4) reducing Federal employment by 150,000 employees;

(5) reducing Federal Government administrative expenses;

(6) modifying vacation leave for Federal managers;

(7) reducing legislative branch administrative expenses;

(8) eliminating the Interstate Commerce Commission;

(9) closing and privatizing the Federal Helium Reserve;

(10) reducing Legal Services funding by 50 per cent;

(11) terminating the Copyright Royalty Commission; and

(12) reducing funding for the European Bank for Reconstruction and Development, the Special Defense Acquisition Fund, and freezing funding for International Development Authority.

PRESSLER AMENDMENT NO. 488

Mr. PRESSLER proposed an amendment to the bill, H.R. 2118, supra, as follows:

At the appropriate place, insert the following new section:

SEC. . PREVENTED PLANTED DISASTER ASSISTANCE FOR 1993 CROP OF FEED GRAINS.

The first sentence of section 105B(c)(1)(F)(ii) of the Agricultural Act of 1949 (42 U.S.C. 1444f(c)(1)(F)(ii)) is amended—

(1) by striking "crambe, and" and inserting "crambe,"; and

(2) by inserting before the period at the end the following: "and, in the case of producers on a farm who the Secretary determines are prevented from planting any portion of the acreage intended for the 1993 crop of corn because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, soybeans".

**D'AMATO (AND OTHERS)
AMENDMENT NO. 489**

Mr. D'AMATO (for himself, Mr. BROWN, Mr. PRESSLER, Mr. MACK, Mr. DOMENICI, Mr. CRAIG, Mr. MURKOWSKI, Mr. NICKLES, and Mr. SMITH) proposed an amendment to the bill, H.R. 2118, supra, as follows:

On page 40, after line 21, insert the following new section:

SEC. 202. (a) Section 403 of the Social Security Act (42 U.S.C. 603) is amended by inserting after subsection (b) the following new subsection:

"(c)(1)(A) If the Secretary determines—

(i) that a State is operating a general welfare assistance program described in paragraph (3) during a calendar quarter, or

(ii) that more than 20 percent of the local governments within a State that provide general welfare assistance are operating programs described in paragraph (3) during a calendar quarter,

the Secretary shall reduce by 50 percent the amount that such State would otherwise receive under subsection (a) with respect to expenditures made by such State during such quarter for the administration of the aid to families with dependent children program under this part.

"(B) If a State receives a reduced payment in a calendar quarter as a result of a determination by the Secretary under subparagraph (A)(i)—

(i) such State shall reduce for such quarter the payments made to each State office administering the aid to families with dependent children program which is located within the jurisdiction of the local governments described in subparagraph (A)(ii) by an amount equal to 50 percent of the Federal share of the administrative expenses of such office; and

(ii) such State shall not, as a result of such reduced payment, reduce for such quarter the payments made to any State office administering the aid to families with dependent children program which is not located within the jurisdiction of the local governments described in subparagraph (A)(i).

"(2) If the Secretary determines that any local government within a State that is not described in paragraph (1)(A) is operating a general welfare assistance program described in paragraph (3) during a calendar quarter, the State shall reduce for such quarter the payments made to any State office administering the aid to families with dependent children program which is located within the jurisdiction of such local government by an amount equal to 50 percent of the Federal share of the administrative expenses of such office and such amount shall be paid by the State to the Secretary.

"(3) A general welfare assistance program described in this paragraph is a general welfare assistance program that—

"(A) provides benefits to able-bodied individuals (as determined by the Secretary) who have attained age 18 and who have no dependents (hereafter referred to in this subsection as 'able-bodied individuals');

"(B) does not have a workfare program that meets the participation rate requirements under paragraph (4); and

"(C) does not meet any other requirements set forth in regulations issued by the Secretary.

"(4)(A) The participation rate requirements under this paragraph are as follows:

"(i) In the case of a workfare program which is implemented after the date of the enactment of this subsection, the participation rate for such program shall be—

"(I) for the second year that the program is operated, 10 percent; and

"(II) for any succeeding year, the percentage for the preceding year plus 2 percent.

"(ii) In the case of a workfare program which is operating on the date of the enactment of this subsection, the participation rate for such program shall be—

"(I) for 1994—

"(aa) in the case of a program with a participation rate below 10 percent for 1993, 10 percent; and

"(bb) in the case of a program with a participation rate between 10 percent and 50 percent for 1993, the program's participation rate for 1993 plus 2 percent; and

"(II) for any succeeding year, the percentage for the preceding year plus 2 percent.

"(B) The participation rates required under clauses (i) and (ii) of subparagraph (A) shall not exceed 50 percent.

"(C) For purposes of this subsection, the term 'participation rate' means the percentage of the able-bodied individuals who receive general welfare assistance participating in a workfare program.

"(5) On or before the date which is 5 years after the date of the enactment of this subsection, the Secretary shall conduct a review of State and local participation rates and submit to Congress a report containing any of the Secretary's recommendations with respect to the participation rate requirements established under paragraph (4)."

(b)(1) Except as provided in paragraph (2), the amendments made by subsection (a) shall apply to calendar quarters beginning on or after July 1, 1994.

(2) In the case of a State which the Secretary determines requires State legislation (other than legislation authorizing or appropriating funds) in order to comply with the amendments made by subsection (a), the State shall not be regarded as failing to comply with such amendments solely on the basis of its failure to meet the requirements of such amendments before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act. For purposes of the preceding sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

**HARKIN (AND GRASSLEY)
AMENDMENT NO. 490**

Mr. BYRD (for Mr. HARKIN, for himself, Mr. PRYOR, and Mr. GRASSLEY) proposed an amendment to the bill, H.R. 2118, supra, as follows:

On page 17, after line 22, insert the following:

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

For an additional amount for "Community service employment for older Americans", \$10,000,000, of which \$7,800,000 is for national grants or contracts with public agencies and public or private nonprofit organizations under section 506(a)(1)(A) of the Older Americans Act of 1965 as amended; and of which \$2,200,000 is for grants to States under section 506(a)(3) of said Act.

On page 19, strike lines 1 through 7.

On page 19, line 13, strike "\$360,000,000" and insert in lieu thereof "\$353,700,000".

**HARKIN (AND OTHERS)
AMENDMENT NO. 491**

Mr. BYRD (for Mr. HARKIN, for himself, Mrs. FEINSTEIN, Mr. HATFIELD, Mr. GRAMM, Mr. MACK, Mrs. BOXER, Mrs. MURRAY, and Mr. GORTON) proposed an amendment to the bill, H.R. 2118, supra, as follows:

On page 19, insert the following after line 22:

GENERAL PROVISION

SEC. 501. Funds appropriated pursuant to Section 414(a) of the Immigration and Nationality Act under Public Law 102-170 for fiscal year 1992 shall be available for the costs of assistance provided and other activities conducted in such year and in fiscal year 1993.

CRAIG AMENDMENT NO. 492

Mr. BYRD (for Mr. CRAIG) proposed an amendment to the bill, H.R. 2118, supra, as follows:

Before the period, insert: "Provided further, That a curly top virus condition in sugar beets resulting from damaging weather or related condition that adversely affects the beets shall be an eligible disaster condition for purposes of assistance provided under this paragraph."

D'AMATO AMENDMENT NO. 493

Mr. D'AMATO proposed an amendment to the bill, H.R. 2118, supra, as follows:

On page 40, between lines 21 and 22, insert the following:

SEC. 202. LIMITATION ON USE OF CHAPTER 1 FUNDS BY LOCAL EDUCATIONAL AGENCIES.

(a) **AMENDMENT.**—Subpart 6 of part F of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2901 et seq.) is amended by adding at the end the following new section:

SEC. 1492. LIMITATION ON LOCAL ADMINISTRATIVE EXPENSES.

"(a) **LIMITATION.**—Notwithstanding any other provision of law, not more than 10 percent of the funds made available under this chapter to a local educational agency shall be used for administrative expenses.

"(b) **DEFINITION.**—For the purpose of this section the term 'administrative expenses' means any expenditure of funds under this chapter that is not used to pay the salary of instructional personnel (personnel involved in the direct teaching of pupils) or to pay the cost of instructional material."

(b) **EFFECTIVE DATE.**—Section 1492 of the Elementary and Secondary Education Act of

1965 shall be effective in fiscal year 1994 and each succeeding fiscal year.

**CHAFEE (AND PELL) AMENDMENT
NO. 494**

Mr. CHAFEE (for himself and Mr. PELL) proposed an amendment to the bill, H.R. 2118, supra, as follows:

On page 40, after line 16 insert:

Using funds heretofore appropriated in Public Law 102-377, the Chief of Engineers, U.S. Army Corps of Engineers, is directed to use \$750,000 to undertake work on the Cliff Walk, Rhode Island Project as provided in the Conference Report accompanying H.R. 5373 (P.L. 102-377).

DOMENICI AMENDMENT NO. 495

Mr. BYRD (for Mr. DOMENICI) proposed an amendment to the bill, H.R. 2118, supra, as follows:

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

**SEC. . EXTENSION OF ACQUISITION AUTHORITY
FOR THE PETROGLYPH NATIONAL
MONUMENT.**

Section 104(b)(2) of P.L. 101-313 is amended by striking "three" and inserting "four" in lieu thereof.

**DOMENICI (AND OTHERS)
AMENDMENT NO. 496**

Mr. BYRD (for Mr. DOMENICI, for himself, Mr. MCCAIN, Mr. BINGAMAN, Mr. DECONCINI, Mr. CAMPBELL, and Mr. INOUE) proposed an amendment to the bill, H.R. 2118, supra, as follows:

On page 18, following line 8, add the following:

**ASSISTANT SECRETARY FOR HEALTH
OFFICE OF THE ASSISTANT SECRETARY FOR
HEALTH
PUBLIC HEALTH EMERGENCY FUND**

For carrying out section 319(a) of the Public Health Service Act with respect to the current public health emergency and any future emergencies created by the recent outbreak of acute illness which has resulted in respiratory failure among populations residing in the Four Corners area, where Arizona, Colorado, New Mexico, and Utah meet, \$6,000,000: *Provided*, That these amounts shall be available for any activity authorized under the Public Health Service Act and the Act of August 5, 1954 (68 Stat. 674) to respond to the recent outbreak and any future outbreaks of this acute illness: *Provided further*, That activities shall include, but not be limited to epidemic investigations and studies, local, State, and national surveillance; identification and characterization of the causative agent; development of recommendation for clinical management of ill persons; development and application diagnostic tests; evaluation of the rodent reservoir; development of control and prevention strategies; public and professional education; and direct and contract activities of the Indian Health Service including costs incurred by the Navajo Nation.

**BROWN (AND OTHERS)
AMENDMENT NO. 497**

Mr. BROWN (for himself, Mr. DOLE, Mrs. KASSEBAUM, Mr. GRASSLEY, Mr. PRESSLER, Mr. LUGAR, Mr. DURENBERGER, Mr. CRAIG, and Mr. COATS) pro-

posed an amendment to the bill, H.R. 2118, supra, as follows:

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

SEC. . SENSE OF THE SENATE ON TRANSPORTATION OF FOOD ASSISTANCE TO RUSSIA.

(a) FINDINGS.—The Senate finds that—

(1) on April 3, 1993, in Vancouver, Canada, the President of the United States and the President of the Russian Federation announced a \$1,600,000,000 aid package for Russia, including \$700,000,000 in food assistance;

(2) the provision of food assistance announced at the Vancouver summit is a vital sign of United States support for Russia's continued movement toward democracy and transition to a market economy;

(3) on May 3, 1993, the United States Government and the Government of Russia reached initial agreement on the \$700,000,000 in food assistance to be extended by the United States to Russia;

(4) the agreement stipulated that while \$500,000,000 of the United States food aid package will be used for Russia to purchase United States agricultural commodities, the remaining \$200,000,000 as estimated by the Administration, will be used solely to cover the cost of transportation;

(5) the Administration announced that 75 percent of the commodities would be shipped on United States-flag commercial vessels under United States cargo preference requirements;

(6) United States cargo preference laws require at least 75 percent of United States food assistance shipped overseas to be shipped on United States-flag commercial vessels;

(7) this requirement eliminates competition and encourages carriers to charge the United States Government rates two or three hundred percent above world market shipping rates;

(8) the current world market shipping rate is between \$25 and \$35 per metric ton;

(9) carriers, anticipating the elimination of competition, have offered bids for shipping the grain to Russia between \$75 and \$138 per metric ton;

(10) these bids are up to 5 times greater than comparable world rates;

(11) the cost of the grain itself is approximately \$100 per metric ton;

(12) the effect of the cargo preference requirements is to increase the cost of transportation so that it nearly equals or exceeds the cost of the grain itself; and

(13) the effect of the cargo preference requirements increases the taxpayer costs of assistance to Russia.

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

(1) the food assistance provided by the United States Government to Russia has been supported and approved to meet the dire humanitarian needs of the Russian people;

(2) the increased cost of assistance to Russia resulting from cargo preference requirements could adversely affect the progress of democracy and market development in Russia; and

(3) at a minimum, the President should not permit Federal agencies to accept bids from any carrier that are more than double competitive world market rates.

GRASSLEY AMENDMENT NO. 498

Mr. GRASSLEY proposed an amendment to amendment No. 497 proposed by Mr. BROWN to the bill, H.R. 2118, supra, as follows:

In the amendment, strike out all after "SEC." and insert in lieu thereof the following:

SENSE OF THE SENATE ON TRANSPORTATION OF FOOD ASSISTANCE TO RUSSIA.

(a) FINDINGS.—The Senate finds that—

(1) on April 3, 1993, in Vancouver, Canada, the President of the United States and the President of the Russian Federation announced a \$1,600,000,000 aid package for Russia, including \$700,000,000 in food assistance;

(2) the provision of food assistance announced at the Vancouver summit is a vital sign of United States support for Russia's continued movement toward democracy and transition to a market economy;

(3) on May 3, 1993, the United States Government and the Government of Russia reached initial agreement on the \$700,000,000 in food assistance to be extended by the United States to Russia;

(4) the agreement stipulated that while \$500,000,000 of the United States food aid package will be used for Russia to purchase United States agricultural commodities, the remaining \$200,000,000, as estimated by the Administration, will be used solely to cover the cost of transportation;

(5) the Administration announced that 75 percent of the commodities would be shipped on United States-flag commercial vessels under United States cargo preference requirements;

(6) United States cargo preference laws require at least 75 percent of United States food assistance shipped overseas to be shipped on United States-flag commercial vessels;

(7) this requirement eliminates competition and encourages carriers to charge the United States Government rates two or three hundred percent above world market shipping rates;

(8) the current world market shipping rate is between \$25 and \$35 per metric ton;

(9) carriers, anticipating the elimination of competition, have offered bids for shipping the grain to Russia between \$75 and \$138 per metric ton;

(10) these bids are up to 5 times greater than comparable world rates;

(11) the cost of the grain itself is approximately \$100 per metric ton;

(12) the effect of the cargo preference requirements is to increase the cost of transportation so that it nearly equals or exceeds the cost of the grain itself; and

(13) the effect of the cargo preference requirements increases the taxpayer costs of assistance to Russia.

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

(1) the food assistance provided by the United States Government to Russia has been supported and approved to meet the dire humanitarian needs of the Russian people;

(2) the increased cost of assistance to Russia resulting from cargo preference requirements could adversely affect the progress of democracy and market development in Russia; and

(3) at a minimum, the President should not permit Federal agencies to accept bids from any carrier that are more than 50 percent above competitive world market rates.

KENNEDY AMENDMENT NO. 499

Mr. KENNEDY proposed an amendment to amendment No. 493, proposed by Mr. D'AMATO, to the bill, H.R. 2118, supra, as follows:

On page 2, strike lines 10 through 12 and insert in lieu: "salary of instructional personnel involved in the direct instruction of pupils or in the training of teachers or to pay the cost of instructional material."

NOTICE OF HEARINGS

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. NUNN. Mr. President, I would like to announce for the information of the Senate and the public that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, will hold hearings on oversight of the insurance industry: Blue Cross/Blue Shield—Empire Plan (New York).

These hearings will take place on Friday, June 25, at 9 a.m. and Wednesday, June 30, at 9:30 a.m. in room 342 of the Dirksen Senate Office Building. For further information, please contact Eleanor Hill of the subcommittee staff at 224-3721.

Mr. LEAHY. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry will hold a hearing on the National Academy of Science Report on pesticides and children. The hearing will be held on Tuesday, June 29, 1993, at 11 a.m. in SR-332.

For further information, please contact Mike Fernandez at 224-5207.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on June 22, 1993, at 9:30 a.m. on the NOAA reauthorization and marine biotechnology.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Governmental Committee be authorized to meet for a hearing on June 22, at 2:30 p.m., on the subject: EPA contract management problems.

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

COMMITTEE ON INDIAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Tuesday, June 22, 1993, beginning at 9:30 a.m., in room 485, Russell Senate Office Building, on S. 925, the Native American Trust Fund Accounting and Management Reform Act of 1993.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Select

Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, June 22, 1993, at 4 p.m. to hold a closed briefing on intelligence matters.

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

COMMITTEE ON JUDICIARY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session on the Senate on Tuesday, June 22, 1993, to hold a hearing on the nominations of Eleanor Acheson, and Walter Dellinger to be Assistant Attorneys General to the United States.

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

SUBCOMMITTEE ON EMPLOYMENT AND PRODUCTIVITY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources Subcommittee on Employment and Productivity be authorized to meet for a hearing on the Privacy for Consumers and Workers Act, during the session of the Senate on Tuesday, June 22, 1993, at 9:30 a.m.

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

SUBCOMMITTEE ON FORCE REQUIREMENTS AND PERSONNEL

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Force Requirements and Personnel of the Committee on Armed Services be authorized to meet on Tuesday, June 22, 1993, at 9 a.m., in open session, to receive testimony on the morale, welfare, and recreation programs of the military services in review of the Defense authorization request for fiscal year 1994 and the future years Defense program.

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

SUBCOMMITTEE ON HOUSING AND URBAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Housing and Urban Affairs of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate Tuesday, June 22, 1993, at 10 a.m. to hold a hearing on issues in multifamily housing.

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

SUBCOMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Science, Technology and Space Subcommittee of the Committee on Commerce, Science, and Transportation be authorized to meet on June 22, 1993, at 11 a.m. on science, technology and the Federal Government.

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

SUBCOMMITTEE ON REGIONAL DEFENSE AND CONTINGENCY FORCES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Regional Defense and Contingency Forces be authorized to meet on Tuesday, June 22, 1993, at 10:30 a.m., in open session, to receive testimony on strategic airlift and sealift programs in review of the Defense authorization request for fiscal year 1994 and the future years Defense program.

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

ADDITIONAL STATEMENTS

TV'S TRUE VIOLENCE

● Mr. SIMON. Mr. President, one of the more thoughtful observers of the American scene is Meg Greenfield of the Washington Post, whose column appears in Newsweek and other newspapers around the Nation.

Recently, she had a column on television violence, which points out that television violence probably makes us more tolerant of the real violence that occurs in Bosnia and around the world.

I cannot prove that her point is accurate, but I believe the evidence is overwhelming that it is accurate.

Not only does television violence add to violence in our society—and that has been proven beyond dispute—but it makes us accept violence as a means for solving not only domestic problems but international problems. That is the point Meg Greenfield makes. And while that may not have the solid research behind it that the domestic crime relevance has, I believe it is no less valid. Her column is a superb one.

At this point, I ask to insert her column into the RECORD, and I urge my colleagues to read her column, if they have not read it already.

The column follows:

[From the Washington Post, June 14, 1993]

TV'S TRUE VIOLENCE (By Meg Greenfield)

Television violence is up for discussion again as yet another argument rages over whether and how much to curb it. I believe no subject in our society generates more hypocrisy and confusion, and that is saying something. Is there too much wanton, even obscene violence on TV, day in and day out? Of course there is, and it is disgusting, unless you are partial to the vivid, colorful sight of exploding heads and strung-out guts and guys endlessly careering around shooting other guys as a matter of mindless, pointless habit. Most of this stuff has long since abandoned any pretense to what the Supreme Court once called, in the context of an obscenity ruling, "redeeming social value." It is gore for gore's sake, drama based on violence as a first and only resort in conflict. Should the TV people who produce, market and broadcast this junk exercise restraint? Of course they should; I am not talking about the imposition of government codes or statutes here, of which I am eternally leery, but rather about the purveyors of this escalating mayhem having the

taste and public spiritedness to do some necessary cutting back and toning down themselves.

When I say the subject has been a source of world-class hypocrisy, I am referring in part to the fact that, although this is now changing, over the years it has generally been the liberals who objected to excessive violence on the tube and the conservatives who objected to the raw sexual stuff and that the two tended often to switch positions and use each other's arguments either pro or anti violence and pro or anti explicit sex. (Where sex and violence increasingly mix on the screen and in fact become a single phenomenon each chooses to see only what it wants to.) One side will tell you that the violence has a terrible seductive effect on the viewers who are coarsened by it and inspired to emulate the carefree aggression that they see. The same will be said of all the panting, pawing sex you witness on the tube—that it is corrupting viewers—only it will often be said this time by the same people who deny that violence has any effect on subsequent viewer behavior; it will, correspondingly, also tend to be denied by those who argue that violence does affect viewers' behavior.

Again, I think it's obvious that this bombardment has a coarsening impact on those people who watch faithfully, and especially where children are concerned, it is surely giving many the idea that what they see portrayed on the screen as a matter of course is what they and others are expected to do in real life. Or, at a minimum, this coarsening involves making the unthinkable just a little less unthinkable, a little more okay.

My own objections, however, which are twofold, are somewhat different. First it is not the violence or shocking gore itself to which I object in TV fiction, but rather the volume, profligacy and indiscriminating nature of their presentation. You may read in the classics or observe in the theatrical production of Shakespeare, among others, episodes every bit as shaking and horrible as whatever it is that caused you to turn away from the TV screen the other night. I once saw one of Shakespeare's occasional but memorable onstage eye-gouging enacted in Cambridge, England, with the aid of suddenly popping out peeled grapes. It's the sort of thing you tend to remember long after you have forgotten the names of the characters in the play. Moreover, much Elizabethan theater and other works to which we now defer as classics had plenty of bloody hacking, slashing and related butchery to them designed to amuse an audience given to the enjoyment of bear-baiting, public hangings and assorted other fun.

But in the better of this literature anyway, the violence in the story meant something; it was singular; it was committed by a particularly cruel character; it had some purpose beyond its mere power to titillate, frighten and repel. Nor do I think any age has seen anything comparable to our own unending, daily inundation of the home by filmed, superrealistic close-up portrayals of human violence, of maiming and mutilation and slaughter. And although I also suspect that viewers, including kids, are probably better at keeping in mind the difference between art (if that's what it is) and life than some suppose, I do think there's a danger that a continuous diet of this sort of thing can eventually make us insensitive and impervious to the genuine article when we see it.

Here I come out for the only kind of TV violence I favor: the real stuff. This is my second worry about all the fictional violence on

TV: that it will dull our reactions to the kind that is filmed not on a set but from Bosnia or Liberia or places in this country. I am not talking here of the kind of depiction of horrors that should be treated gingerly in the press, such as shockingly gruesome photographs of stricken or dead people whose living friends and relatives will be needlessly hurt all over again by the reproduction of this image. I am talking about those truly jarring, unsettling, very hard not to turn from images of the wounded kids in Sarajevo, murder victims in a dozen other massacres and wars, or screaming, limbless ones who committed no crime and caused no grievance but were merely unlucky enough to be in there when the terrorist group struck.

There is, you understand, a whole school, different from the ordinary critics of TV violence, that thinks this kind of violent or bloody or just plain scary TV representation should go, but for policy reasons. These are the people who maintain that such a large dose of ugly reality and pain will get us all riled up as individuals or as a society or a government and cause us to take some kind of a position or think we have to do something or otherwise act in a way that they find troubling. There are people who say the filming of war scenes in Vietnam was wrong because of its impact on so much of the public, who believe that the horrors shown in Somalia or Sarajevo or Tiananmen are also something with which we cannot be trusted, that they tend to make us emotional and lead us away from the rigorous, coldhearted intellectual discipline required for policy-making. I grant that such sights on TV can be partial as to truth and in some ways misleading. But I think in an age of excessive governmental memoranda, autointoxication and blather, they are worth a thousand staged pictures of violence and a million political words. If we can't be trusted with the sight of violent reality or required to deal with it, we ought to go out of business. My main worry about TV violence of the senseless, mindless made-up kind is that it may, in time, render us incapable of recognizing and responding to the real thing. •

NGA GROCERS CARE AWARDS

• Mr. NICKLES. Mr. President, I wish to bring to the attention of the Senate the community contribution of the American independent retail grocers and their wholesalers.

In past years, through passage of the National Grocers Week, the House and Senate recognized the important role these businesses play in our economy. The week of June 20-26, 1993, commemorates the seventh year that National Grocers Week has been observed by the industry to encourage their community contributions.

This week, National Grocers Association, heads of philanthropic, and consumer groups will honor outstanding independent retail and wholesale grocers, their State association executives and food industry manufacturing for their community service with the NGA Grocers Care Awards.

This annual celebration highlights the important role small business plays. According to Thomas K. Zaucha, president and CEO of the National Grocers Association [NGA]:

Active leadership with community service projects reflect the commitment the food industry members—retail and wholesale grocers and manufacturers—have to the communities they serve. Every day, in thousands of communities across the country, grocers make the difference by supporting civic endeavors, environmental projects, and charities. This year's grocers are being recognized for their involvement in health related charities and nutritional programs; for commitments to recycling and the environment; and for the industry's civic and patriotic endeavors.

GROCERS CARE AWARD HONOREES

The "Grocers Care" theme will prevail during the NGA Washington Conference activities beginning Sunday, June 20, in Washington, D.C. Representatives from companies, organizations, and associations around the United States will be honored. These honorees include:

Alabama: Peter Gregerson, Sr., Gregerson's Foods, Gadsden; John Wilson, Super Foods Supermarkets, Luverne;

Arkansas: Jerry Davis, Affiliated Foods Southwest, Little Rock;

California: John Denney, Denney's Market, Bakersfield; Everett Dingwell, Certified Grocers of California, Los Angeles; Mark Kidd, Mar-Val Food Stores, Lodi;

Colorado: Harold Kelloff, Kelloff's Food Market, Alamosa;

Connecticut: Ray Pena, C-Town Supermarket, Hartford;

Florida: Robert Hitchcock, Hitchcock's Foodway, Alachua; Donald Kolvenbach, Affiliated of Florida, Tampa; Tom Miller, Miller Enterprises, Crescent City; Lorena Jaeb, Pick Kwik Food Stores, Mango; Michael Cianciarula, Gooding's Supermarkets, Altamonte Springs;

Georgia: Zack Hinton, Zack's Properties, McDonough;

Idaho: Ronald McIntire, Ron's Thrift Stores, Hayden Lake; Jack Strahan, Super 1 Foods, Hayden Lake;

Illinois: Stephen J. Stair, Stair's Food Center, Galena; John Sullivan, J. B. Sullivan, Savanna; Robert Walker, Walker's Supermarkets, Mattoon; Elwood Winn, Certified Grocers Midwest, Hodgkins;

Indiana: Larry Contos, Pay Less Super Markets, Anderson; William G. Reitz, Scott's Food Store, Fort Wayne;

Iowa: Kenneth Stroud, Dahl's Foods, Des Moines; Jerry Fleagle, Fleagle Foods, Waterloo;

Kansas: Douglas Carolan, Associated Wholesale Grocers, Kansas City;

Kentucky: Bruce Chestnut, Laurel Grocery Company, East Bernstadt; Thomas Litzler, Remke's Market, Covington; Kenneth Techau, Techau Inc., Cynthiana;

Louisiana: Ferdie Barbier, Big B Supermarket, Belle Rose; Donald Rouse, Jr., Rouse Supermarkets, Thibodaux; Hiller Moore, Associated Grocers, Baton Rouge; Barry Breaux, Breaux Mart, Metairie; Guy Cannata, Cannata's Supermarkets, Morgan City;

Maine: Donald Chalmers, Down East Energy, Brunswick;

Maryland: Thomas Smith, Tom's Super Thrift, Cardiff;

Michigan: Robert DeYoung, Sr., Fulton Heights Foods, Grand Rapids; Patrick Quinn, Spartan Stores, Grand Rapids; Kathleen Ferguson, Ashcraft's Food & Land, Ann Arbor; Tom Feldpausch, Feldpausch Food Centers, Hastings; Richard Glidden, Hardings Market, Kalamazoo; Lee and Bob Nylund, Nylund Food Center, Crystal Falls; Gerald Oleson, Oleson's Food Stores, Traverse City;

Minnesota: Tim Maselter, County Market, Cambridge; Glen W. Gust, Glen's Food Center, Luverne; Stephan B. Barlow, Sr., Barlow Foods, Rochester; Dan Coborn, Coborn's Inc., St. Cloud; Stephan C. Evans, Evans Supermarket, Detroit Lakes; William Farmer, Fairway Foods, Bloomington; Phil Nyberg, Fiesta Foods, Lake City; Gordon Anderson, Gordy's, Plymouth; Cheryl Wall, Soderquist's NEWMARKET, Soderville; Robin Thomas, SUPERVALU Stores, Minneapolis.

Missouri: Donald Woods, Jr., Woods Super Market, Bolivar; Glen Woody, Glen's Supermarket, Forsyth; Doug Gerad, Country Mart, Branson;

Nebraska: Richard Juro, No Frills Supermarket, Omaha; Terry Olsen, United A.G. Cooperative, Omaha; John Hanson, Sixth Street Food Stores, North Platte;

Nevada: Joey Scolari, Scolari's Warehouse Markets, Reno;

New Hampshire: Herve Samson, Sam's Supermarket, Whitefield; Charles Butson, Butson's Supermarkets, Woodsville;

New Jersey: Leonard Sitar, Shop Rite of Carteret, Carteret; Mark Laurenti, Shop-Rite of Pennington, Hamilton Square, Jerry Yaguda, Wakefern Food Corporation, Edison;

New Mexico: Martin Romine, California Supermarkets, Gallup; Joseph Cooper, Cooper's Thriftway, Tucumcari;

New York: Jerome Pawlak, Bells Food Center, Albion; James Robinson, Olean Wholesale Grocery Cooperative, Olean;

North Dakota: Wallace Joersz, Bill's Super Valu, Mandan; Richard Bronson, Bronson's Super Valu, Beulah; Dallas Krause, Krause Super Valu, Hazen; Marvin Erdmann, SUPERVALU INC., Bismarck; Jack Leever, Leever's Supermarkets, Devils Lake;

Ohio: Walter Churchill, Sr., Churchill's Super Markets, Sylaniva; Ronald Graff, Columbiana Foods, Boardman; James Stoll, Bag-n-Save Foods, Dover; Gregg Bowman, Bowman's Harvest Market, Louisville; Stuart Mcardle, McArdle's IGA Foodliner, Canton; Charlene McCormick, Leetonia IGA, Leetonia; David Sarno, Minit Mart, Canal Fulton; William Thompson, Thompson's IGA, Newcomerstown; Jack W. Partridge, Kroger Company, Cincinnati;

Oklahoma: Brenda Graham, Bill's Discount Foods, Tulsa; Richard Dixon, Bud's Family Foods, Tulsa; Gary Burhop, Fleming Companies, Oklahoma City; Tom Goodner, Goodner's Supermarket, Duncan; John Redwine II, John's IGA, Spiro; Bill Johnson, Johnson Foods, Muskogee; Steve Brown, Save-A-Stop, Oklahoma City;

Oregon: Gordon E. Smith, Vernonia Sentry Market, Vernonia; Orville Roth, Roth's Friendly Foodliners, Salem; Alan Jones, United Grocers, Milwaukie;

Pennsylvania: Christy Spoa, Sr., Save-A-Lot, Ellwood City; Christopher Michael, Associated Wholesalers, Robesonia; Earl Redner, Redner's Markets, Reading;

Tennessee: H. Dean Dickey, Giant Foods, Columbia; D. Edward McMillan, Food City Supermarkets, Knoxville;

Texas: Benny Cooper, Affiliated Foods, Amarilla; R.A. Brookshire, Brookshire Brothers, Lufkin; Hobert Joe, Continental Finer Foods, Houston; Richard Wong, Food 4 Less, Pasadena; David Davies, King Saver, Georgetown; Norm Pentecost, Pen Foods, San Antonio; Glen Holt, Thriftway Super Market, Rotan;

Utah: G. Steven Allen, Allen's Super Save Markets, Orem; Kieth Barrett, Barrett's Foodtown, Salina; Daniel Parris, Dan's Foods, Salt Lake City; James Davis, Davis IGA Super Center, Vernal; Kenneth Macey, Macey's Salt Lake City;

Vermont: Michael Murphy, Shop & Save Food Markets, Johnsbury;

Virginia: Gene Bayne, Gene's Super Market, Richmond; Walter Grant, Camellia Food Stores, Norfolk; Donald Bennett, Richfood, Richmond;

Washington: Rober Croshaw, Bert's Red Apple Market, Seattle; Craig Cole, Brown & Cole Stores, Ferndale; Steve Herbison, URM Stores, Spokane; Donald Benson, Associated Grocers, Seattle; Robin Fuller, Fuller's Market Basket, Centralia;

West Virginia: David Milne, Morgan's Foodland, Kingwood;

Wisconsin: Robert Rougeau, Certoo, Madison; Richard Lambrecht, Consumers Cooperative Association, Eau Claire; Dean Erickson, Erickson's Diversified, Hudson; Fred Lange, Lange's Sentry Foods, Madison; Gerald Lestina, Roundy's, Inc., Milwaukee; James DeWees, Godfrey Company, Waukesha; Gail Omernick, Copps Distributing Company, Stevens Point; Jerome Baryenbruch, Hometown Supermarket, Spring Green; Thomas Fox, Schultz Sav-O-Stores, Sheboygan;

Wyoming: Gary Decker, Decker's Food Center, Gillette.

The following state associations are instrumental in coordinating information relative to the community service activities of their members:

California Grocers Association; Retail Grocers Association of Florida; Illinois Food Retailers Association; Iowa Grocers Association; Mid-Atlantic Food Dealers Association; Mid-America Grocers Association; Minnesota Grocers Association; Missouri Grocers Association; New Hampshire Retail Grocers Association; New Jersey Food Council; New Mexico Grocers Association; North Carolina Food Dealers Association; North Dakota Grocers Association; East Central Ohio Food Dealers Association; Ohio Grocers Association; Square Deal Association; Youngstown Area Grocers Association; Oklahoma Grocers Association; Association of Oregon Food Industries; Pennsylvania Food Merchants Association; Rocky Mountain Food Dealers Association of Houston; Texas Food Industry Association; Utah Food Industry Association; Vermont Grocers Association; Wisconsin Grocers Association.

Manufacturers: McCormick & Company, Inc.; Best Foods; Brown & Williamson Tobacco; Concord EFS; Classic Demos; Kraft Genera Foods; Nabisco Foods Group; Campbell Soup Company; Coca-Cola Foods; Georgia-Pacific Corporation; RJ Reynolds Tobacco Company; General Mills, Inc.; Ralston Purina Company; Thomas J. Lipton, Inc.; Lever Brothers Company; Procter & Gamble Company; Borden, Inc.; H.J. Heinz Company; Kellogg U.S.A. Inc.; Nestle Food Company; Verifone Inc.; Shurfine-Central Corporation; Three Rivers Health & Safety Inc.; Weigh-Tronix, Inc.

"Grocers Care" awards recognize the involvement of the total retail food industry, grocers, wholesalers and manufacturers in community programs. A sampling of exemplary contributions includes:

A Healthy America—Participation in a single day sales support of "Grocers Fight Cancer," American Heart Association, American Diabetes Alert, Red Cross and other national charitable organizations where a percentage of sales are donated;

Programs to shelter and feed the homeless and hungry;

Fitness programs and support in planning activities as well as supplying healthy food;

Senior citizen assistance;

A Proud America—Support of patriotic national holidays in parades, picnic supplies, promotion;

Voter registration campaigns; Sports tournaments in support of charitable organizations as well as local hospitals, fire, and police departments;

Contributions of time, funds, and buildings in support of the performing arts;

Boy and Girl Scouts, Little and Lassie Leagues, and other sports program sponsorships.

A Clean America—Environmental commitments from the manufacturing and packaging process, to recycling at the store level, to instituting local recycling program;

Environmental campaigns in support of the "Keep America Beautiful" program;

Reading programs to fight illiteracy, local educational commitments through scholarships, percentages of sales contributions, and computers for students programs.●

REGARDING: TONNI M. TENUTA

● Mr. McCAIN. Mr. President, I was extremely pleased to hear from the James Madison Memorial Fellowship Foundation of Washington, DC, about the selection of Tonni M. Tenuta being awarded a James Madison Fellowship. I would like to congratulate Tonni for being chosen for the fellowship.

Mr. President, this is an outstanding achievement for an Arizonan to receive and one I would like the Senator to take note of. The James Madison fellowships support the further study of American history by recent college graduates who aspire to become teachers of American history, American government, and social studies in the Nation's secondary schools. Mr. President, there is no finer goal than to teach the young men and women of the United States the history of their country.

Again, Mr. President, I would like to extend heartfelt congratulations to Tonni Tenuta for receiving the fellowship, and my best wishes for her continued success.●

SUMMIT OF FARM POLICY AND RURAL DEVELOPMENT

● Mr. BURNS. Mr. President, a little over a week ago, some of us sent a letter to President Clinton, asking that he convene a "summit of farm policy and rural development." Today, I rise to encourage my colleagues and President Clinton to join me in supporting this idea.

Many people in America may not think of agriculture as a business. But, one out of every six Americans helps produce our food and fiber. These agriculture producers allow people to pursue other jobs without even questioning where the food for their families is coming from. Agriculture is a business, and it is the largest business in my home State of Montana.

There is no doubt that over our country's history, farmers have been an essential part of our lives. While agriculture has been the backbone of our

country, it is now in serious trouble. These troubles don't only affect farmers and ranchers, they affect entire communities—at risk are gas stations, feed suppliers, hardware stores, and even our local schools. Agriculture communities are fragile, and now is the time to sit down with policy leaders to design policies that will address the real problems.

Montana has an agriculture tradition that is second to none. Montanans realize we need to diversify our crops and we realize we will have to change in order to survive. Some of our policies have served our communities well, and others have actually caused more harm than good. However, there are many questions about what exactly is needed to maintain agriculture as a powerful force in Montana's economy and our Nation's economy. A summit to redefining our goals is a step in the right direction.●

S. 1113: TRAUMA CARE AMENDMENTS ACT OF 1993

● Mr. RIEGLE. Mr. President, I am speaking today in support of the Trauma Care Amendments Act of 1993. This bill amends title XII of the Public Health Service Act to reauthorize trauma care programs that I have supported for many years, and I would like to urge my colleagues to support this act.

The act will provide \$25 million in funding for trauma care programs in fiscal year 1994, with continued funding until fiscal year 1996. The act also makes revisions to the program to include trauma patients on the trauma care systems advisory board and allow trauma systems to cross State boarders when regional systems are more appropriate than State systems.

I am an original supporter of the Trauma Care Systems Planning and Development Act of 1990 which encourages the development of regional trauma systems, and I supported the ADAMHA Reorganization Act which provides financial help to trauma care centers to ease their burden of providing uncompensated care.

I also requested a GAO study that examined the extent of and reasons for trauma care center closures in major urban areas, including Detroit, MI. The study, which was released in May 1991, documented that the primary reasons for closures were lack of payment by persons without insurance and low Medicaid reimbursement rates.

I continue to believe that funding for these programs is crucial, and I would like to commend Senator KENNEDY for his ongoing support for trauma care programs. These programs are essential components of our health care system, and I hope my colleagues will pass this act by unanimous consent.●

TRIBUTE TO DAWSON SPRINGS

● Mr. MCCONNELL. Mr. President, I rise today to pay tribute to the town of Dawson Springs in Hopkins County, KY.

Dawson Springs, a town with a population of 3,129 residents, is located on the Tradewater River in western Kentucky coal territory. Originally the site of a native American trading village, this tract of land was initially known by settlers as "Tradewater Bend." Although the arrival of the railroad in 1872 resulted in a new name, "Tradewater Station," the river continued to be the region's most identifiable characteristic. Only 2 years later the area was renamed once again, this time permanently. This final change in identification reflected the influence of the local Dawson family.

The dawn of the 20th century witnessed a golden age in the history of Dawson Springs. This time represented a renaissance of sorts in which the region welcomed dramatic growth and overall prosperity. Unfortunately, the onset of both World War I and World War II interrupted this development and significantly eroded the town's productivity. The demise of the railroad as the primary mode of transportation compounded Dawson Springs' dilemma.

One of the most admirable qualities of the Dawson Springs community has been its ability to withstand adversity over time. Despite the town's economic and psychological setbacks in the middle of this century, Dawson Springs has recently made a notable comeback. Today, this fine community boasts strong industrial relations with several large employers. At the same time, Dawson Springs has maintained the enviable qualities of a small town lifestyle. Revitalization has been accompanied by a spirit of preservation; the town's past success has been a source of inspiration and, predictably, a model for the future.

I commend Dawson Springs' resiliency and efforts to improve upon its already admirable progress. More importantly, I wish to praise those individuals who represent the backbone of this industrious and positive attitude that thrives in Dawson Springs.

Mr. President, I ask that a recent article from Louisville's Courier-Journal be printed in today's CONGRESSIONAL RECORD.

The article follows:

DAWSON SPRINGS

(By Beverly Bartlett)

Ninety years ago, the future couldn't have looked brighter for Dawson Springs.

The time now remembered as the "Spa Days" or "Water Days" had begun. People flocked by the hundreds, by the thousands even, to the tiny community to relax and to drink mineral water, which was purported to cure, among other things, "Stomach Troubles, diseased and inactive Liver, Constipation, diseases of Kidney and Bladder, Female

Irregularities, Rheumatism, Gout, and the various forms of Nerve trouble and consequent Debility."

Some of them stayed in a new 150-room hotel whose name reflected its place in the city's promising future: The New Century.

And for the first few decades of this century, Dawson Springs thrived. At one point, it had 17 hotels, with an additional 60 boarding houses. There were restaurants and dance halls, and one man was said to have put his children through college by selling popcorn from a stand on a downtown street. The Pittsburgh Pirates held spring training there for a few years in the late teens.

But the world wars came, railroad traffic declined and the hotels began to close. Ultimately, in 1960, the last of the hotels, the three-story brick New Century, burned.

The fire still burns brightly in the local psyche.

"There are people in town who will tell you that was the end of Dawson," said Susan Mestan, a retired art teacher who works with the city's program to revitalize Main Street. "But that part of Dawson had essentially already ended."

It was not the only part of the city that ended then. About six months after the fire, the city's largest employer, Dawson Daylight Coal Co., closed. It was the sixth mine to close in the area that year. And the Veterans Administration announced it would close Outwood Hospital, a facility that had opened about 40 years earlier amidst much fanfare.

But Dawson Springs refused to die. In 1963, a headline on a Courier-Journal article about the town's recovery called it a "lively corpse." An industrial foundation, West Hopkins Industries, was formed and an industrial park established. The 800-acre Lake Beshear was created, providing water and recreation. The VA hospital was converted into a state facility for the mentally retarded.

The town, it appeared, had won the first battle. Or is it still being fought? There are new elements to the Dawson Springs story, a successful annual barbecue that for more than 40 years has cleared as much as \$15,000 for the local community center, a small independent school district that the people are proud of; a city park with a pool and ball fields that belie the town's size; and a new Dawson Springs Museum and Arts Center, which operates with the help of about 60 volunteers and rotates Japanese art exhibits with historical exhibits from the water days.

An exhibit recently ended on Japanese paper, all supplied by curator Claude Holeman who collected Japanese woodprints while living for more than 30 years in Japan before retiring and coming home to Dawson Springs.

"People really like my Japanese things" he said. "And that's the only reason we have them here in Dawson Springs, because I'm here."

At times, residents sound as if they're still fighting the old battle. Their account of Dawson Springs is not unlike that portrayed in the "Lively Corpse" story from three decades ago.

West Hopkins Industries has been revitalized after a decade of inactivity, and two local manufacturing firms have responded by expanding.

But Dwight Seymore, Chamber of Commerce president and secretary-treasurer of the industrial foundation, says he thinks the past still looms large for people.

"It takes a little more effort to have lost something to regain it. . . if you have no past you don't look to the past," he said.

"It may be hard to build again because people's expectations may be a little bit higher. People here seem to expect success a little quicker than it can realistically come, and some of other people feel it's useless—that there is no way we can get back to where we were. That's maybe true, but we may need to change directions."

And that is what Dawson Springs—a town without no stoplights and only one four-way stop—appears to have done. Mestan said community leaders wanted to have a Christmas parade, but soon realized that a town so small could never compete with the big floats seen in larger cities. They decided to have "mini" parade, where floats are made on lawn mowers and golf carts and to maintain a standard of excellence the city wouldn't be able to match if it tried to do as many full-sized floats.

And Seymore said the town has sprung to action in industrial relations, convincing one local manufacturer, Ottenheimer & Co., which was prepared to leave, to stay and to triple its employment. Labor and management officials at another local manufacturer, Buckhorn Corp., initiated a county-wide committee to work on the perception that Hopkins County is a union stronghold, a reputation that can make recruiting new industry difficult.

Meanwhile, they continue to carry the past. It is seen in the trials and tribulations of a local bottling company, which someone periodically plans to reopen. And it is seen in more intangible ways in their lives.

Mestan remembers the well-educated and well-traveled doctor and X-ray technicians who worked at Outwood, befriending her parents and forming a small fine-arts group.

"It certainly affected my life," said Mestan. "I don't think a lot of people realized how much it affected the community. . . . I don't know if I would have majored in art in college if I didn't know them."

Now, the "new" century has gotten old and the dawn of a new millennium peeks over the horizon. One small hotel that was built in the '40s has been completely refurbished. The 12 rooms include a couple of suites.

Shirley Rambo manages the place and lives there with her husband, Jack, who looks after it when she's out.

"I got laid off from the coal mines," said Jack Rambo, who says he suffers from black lung and a bad knee. "We had no money, so my wife had to have a job."

He and his wife are obviously proud of the new Springs Inn, as is the whole town. They talk about it a lot. But Jack Rambo remembers a Dawson Springs in which the opening of a 12-unit motel wouldn't have been big news.

"Dawson was a boom town. I can remember when you couldn't walk up the streets of Dawson without pushing and shoving," he says. He claims Roy Rogers and Gene Autry were among the visitors.

"My grandkids, I tell them about it and they just can't hardly believe. Of course, they realize I'm not lying but they just can't really believe people like that came to town."

Mayor Raymond Thomason, who recently lost a re-election bid, also remembers the days of crowded sidewalks and says, "We had a better town then."

Some people say they like the quiet friendliness of the Dawson of today, but Thomason says that "if you live here, it's not all that friendly. You have all the cliques here and there." He pauses. "You'll have me run out of town with that."

Still, Thomason, who has lived in Dawson Springs all of his adult life except for the time he was studying at the Academy of Fine Arts in Chicago, is proud of the town and proud of the way it looks now, with 25 dilapidated old homes being torn down during the last four years and much progress made in cleaning up junk and litter. Thomason says he helped the owners of one old home negotiate a deal with a neighboring church, so the house could make way for a parking lot. Now "it's one of the nicest parking lots you ever saw," he says.

That is part of Dawson Springs now, the part of a person happy with a nice parking lot of a museum that is simply better than what anyone would expect to find, a parade that is the best of its own particular class.

But there is another part of Dawson Springs that longs for something more. Rambo, for example, waits for a day in which people will once again seek out the waters of Dawson Springs.

"This might sound silly," he said. "But I remember growing up, people coming into town on trains in wheelchairs and I saw them walk out. I don't know what was doing it, if it was the water or the steam baths. A lot of people had arthritis. I think someday they'll come back. What happened is they stopped advertising."•

TEX RICKARD'S MINISTRY

• Mr. LEVIN. Mr. President, this Sunday the Reverend William Rickard of Mount Clemens, MI, will be honored by hundreds of his parishioners at the time of his retirement. In acknowledgment the Reverend Rickard will be elevated to permanent emeritus status within the United Methodist Church. I am honored to congratulate Reverend Rickard as his friends and family celebrate his 48 years of service to the people of Michigan.

Reverend Rickard's life reflects in many ways the diversity and development of 20-century Michigan. He was born in Houghton, in the copper country of the upper peninsula in 1921, and raised in Mount Clemens near the booming auto industry. He attended Mount Clemens High School and later graduated from Albion College in 1943, the first member of his family to attend college.

His is also a story of service. Nearly a half century of serving congregations in Midland, Saginaw, throughout the Port Huron District, Livonia, East Detroit, and finally, his boyhood congregation in Mount Clemens. He spent 12 years on the board of his alma mater, Albion College, and 16 years on the United Methodist Board of Ministries.

Mr. President, William Rickard has touched peoples' lives and made our corner of the world in Michigan a better place. I join his countless friends and admirers in offering my warm congratulations to him and to his wife, Mary, who has worked so closely with him throughout his ministry. His life has made a difference, and the people of Michigan have been the beneficiaries of his long and fruitful ministry.•

LINCOLN JUNIOR HIGH ENVIRONMENTAL CLUB

• Mr. SIMON. Mr. President, today I am proud to recognize the Lincoln Junior High Environmental Club from Park Ridge, IL for its local and global efforts on behalf of a cleaner environment.

The Lincoln Junior High Environmental Club is made up of 66 students and 33 faculty members who have dedicated their time and energy to protecting and preserving the environment. Mr. President, I find this very encouraging. Elected officials aren't the only ones who can bring about positive change.

Environmental Club members have taken on several innovative projects, including planting trees, providing environmentally conscious gifts to local and global causes, and adopting animals across the Nation. The Lincoln Junior High Environmental Club has also started a school recycling program, written legislators on national environmental issues, and educated the public on the environment through books, videos, and displays.

If we are to clean up our air and water, more people have to get involved, both in our country and around the world. By working together, Mr. President, we can make our planet safe for people and all species of animals. The continuing efforts of committed individuals and groups, such as the Lincoln Junior High Environmental Club, are vital to our pursuit of a better world, and I salute their commitment.•

INCREASED EMPLOYMENT OPPORTUNITIES FOR AMERICANS LIVING ABROAD

• Mr. ROCKEFELLER. Mr. President, almost 2 years ago, in July, 1991, I came to this Chamber to introduce legislation to eliminate employment discrimination against Americans by the U.S. State Department and the other U.S. foreign affairs agencies. At that time, Americans—and only Americans, because they were Americans were prohibited from applying for local-hire positions in U.S. Embassies and consulates. It was deplorable that U.S. Government agencies discriminated against potential employees in these nonsensitive positions on the basis of nationality. The fact that they discriminated against only U.S. citizens was simply ridiculous.

The State Department told me 2 years ago that the discrimination existed because the Foreign Service Act of 1980 did not give foreign affairs agencies the authority to hire Americans residing abroad under the compensation plans used to pay other employees in local-hire positions. My amendment, which was drafted with the advice and cooperation of the State Department, gave the foreign affairs agencies that

authority. The amendment was approved by the Congress and was signed into law in October 1991.

Mr. President, I am very pleased to announce that earlier this month the State Department finally implemented that amendment. As a result, some 10,000 jobs in American diplomatic and consular missions have been opened to American citizens. These jobs range from well paid professional positions, such as economists, librarians, and computer technicians, to entry-level support positions such as receptionists, drivers, and building maintenance personnel. To be hired, Americans living abroad, like other applicants, will have to meet the qualifications of the positions. These usually include fluency in the local language as well as in English, and often include an intimate knowledge of the country's culture, its economy, and its political system.

During the almost 2 years since my amendment was introduced, I and members of my staff have had many exchanges with the officials of the State Department and the other foreign affairs agencies responsible for implementing this change in the law. I must confess that at times I was very frustrated with the repeated assurances that the law's implementation was imminent, only to witness months and months of further delay.

Through the efforts of the State Department's new leadership, we were able to reach agreement on the details of an employment program that takes into account both the spirit and the letter of my amendment. This agreement came when both sides acknowledged that ambiguities in other sections of the Foreign Service Act, sections we did not change 2 years ago, may maintain some elements of employment discrimination in the hiring of U.S. citizens residing abroad.

In my view, to eliminate this remaining potential discrimination Congress must modify the provisions of law that mandate that some groups of locally hired Americans be treated differently than other groups of locally hired Americans, and that all Americans be treated differently than other nationalities hired locally for the same positions. The State Department has offered to work with me on writing these amendments.

The major discriminatory provisions still contained in the Foreign Service Act of 1980 are a requirement that U.S. citizens who are family members of U.S. Government employees serve under limited appointments, while other U.S. citizens residing abroad and foreign nationals may be given career appointments, and a requirement that temporary appointments of U.S. citizens residing abroad be limited to 5 years while temporary appointments of U.S. citizens who are family members of U.S. Government employees have no such limit.

In addition, the Foreign Service Act needs to be amended to clarify that U.S. citizens hired locally, like other locally hired employees, are not eligible for the allowances granted to Foreign Service employees hired in the United States subject to assignment at anytime to anywhere in the world, and to clarify also that locally hired Americans are eligible for local employee benefits. Because the standards for eligibility are presently not clear, the State Department, in implementing my 1991 amendment, has decided to give only temporary appointments to U.S. citizens hired locally, because temporary appointees are clearly not eligible for the Foreign Service allowances. The Department's decision to provide only temporary appointments, however, deprives these U.S. citizens of some standard employee benefits, such as retirement and health care programs, to which non-U.S. citizens in the same positions are entitled.

The Department's decision to pay all locally hired U.S. citizens under a U.S.-based pay schedule also creates the potential for discrimination because in many cases this pay schedule is below local salary rates overseas. Thus, in some countries the U.S. Government will pay U.S. citizens less than it pays citizens of other countries in an identical job. This certainly does not seem to me to meet the American fairness standard of equal pay for equal work. Like the other remaining problems, this can be fixed by technical amendments to the Foreign Service Act.

Mr. President, almost 2 years ago, I sought the Senate's approval of my proposal to open all locally hired jobs in U.S. Embassies and consulates to U.S. citizens. Thanks to the efforts of the State Department's new leadership, the law we enacted in 1991 has now been implemented. The elimination this month of the discriminatory hiring practices that our Government practiced in its overseas posts is a real landmark.

By creating new jobs and economic opportunities for the more than 3 million Americans who currently reside outside the United States, this program will begin to restore equity for an important group of citizens we have too often forgotten. These are people with strong ties in this country, just like the rest of us. Often they are abroad because members of their family work for American companies. Their presence abroad contributes to our Nation's economic wellbeing and to our national security. In their daily lives, they already represent the United States abroad. Now they can do that also by working for the U.S. Government.

However, as I indicated, this progress—as important as it is—is not all the change that is needed. With the continued cooperation of the State Department's new leadership, I hope the

other amendments to the Foreign Service Act to eliminate the remaining elements of employment discrimination can be enacted this year. With the support of my colleagues here and those in the other body, the U.S. Government can give fuller recognition to the rights of American citizens living abroad.●

PEOPLE HELPING PEOPLE

● Mr. SIMON. Mr. President, I rise with pride today to recognize Ms. Marcella Oloffson of Manlius, IL, and her neighbors, for their commitment to their community.

Manlius, IL, is a small town of about 400 people. These are people who know each other and who came together recently to help several of their own who had fallen on hard times.

Ms. Oloffson, incited by photographs and news of her neighbors in need, organized a benefit called "People Helping People." Together with help from the local Lions Club, the Manlius Fun Day Committee, and the entire staff of the First National Bank of Manlius, Oloffson and her neighbors organized events, for People Helping People Day on June 5. Proceeds from the benefit went to the three families in the area struggling with medical bills.

Everyone in Manlius who contributed to People Helping People possesses the caring commitment and pride in their town that make up strong communities. By working to help their neighbors, the people of Manlius offer a positive example to all citizens.

As we all know, Mr. President, caring about our community and our neighbors, is crucial to the preservation and well-being of our society. I am proud to recognize Marcella Oloffson and the citizens of Manlius from my State of Illinois who are so committed to a better future for the members of their community.●

WYOMING COAL INFORMATION COMMITTEE'S SCHOLARSHIP PROGRAM

Mr. WALLOP. Mr. President, today I would like to commend four outstanding students who won top honors in the Wyoming Coal Information Committee's annual essay scholarship program. Brent Prosser of Cheyenne took first place with his outstanding and informative essay, winning \$2,000. The runner-up winners included L. Tim Tysdal of Newcastle, Vanessa Hill of Encampment, and Janna Reinhart of Casper who will all receive \$500 scholarships.

A total of 46 young adults competed from all over the State of Wyoming. To qualify, each of these students combined creativity and facts writing essays entitled "Wyoming Coal—Revenues, Resources and Jobs for the State and Its Citizens."

This Wyoming Coal Information Committee's essay scholarship program offers the opportunity for youth to understand the coal industry and coal's contributions to the State's economy and environment. All of the top essayists wrote excellent pieces focusing on how the industry benefits each and every person in Wyoming through tax revenues that fund schools, roads, and other vital services. Winner Brent Prosser, for example, pointed out that coal contributes to the State an amount equal to \$560 per Wyoming resident, while runner-up Vanessa Hill noted that each job at a coal mine produces the need for more than two jobs in surrounding communities. Tim Tysdal wrote that the industry has a minimal impact on the environment since the State's 29 coal mines use only about 8 square miles of Wyoming's 97,000 square mile land base. Janna Reinhart summed things up by noting that coal is more than just a source of heat and energy in Wyoming, it is an integral part of everyday life. In short, each student did an outstanding job illustrating the contributions coal has made to our State's economy and environment.

Each of the scholarship recipients has a bright future on the horizon. Prosser plans to attend Creighton University studying premed, Reinhart and Tysdale will enter the University of Wyoming and Hill plans to go to Colorado State University.

I commend the Wyoming Coal Information Committee for providing scholarships that will undoubtedly encourage students become the powerful leaders who will shape our future, and I congratulate each of these students on writing articulate and thoughtful essays. I ask that the essays be printed following these remarks.

The essays are as follows:

WYOMING COAL—REVENUES, RESOURCES, AND JOBS FOR THE STATE AND ITS CITIZENS
(By Brent Prosser, Grand Prize Winner, Cheyenne East High School)

At one time, Wyoming was far different from the dryland prairie that we know today. Millions of years ago, it was a wet marshland with thousands of different species of vegetation growing and thriving in the fertile soil. Time has gone by, and these organic plants have all died and have been covered with tons of soil, sediment and other materials. Slowly, these plants became compressed over such a long time that their remains became solely what we know as carbon, the element that came from the photosynthesis carried on by these plants. This carbon is now what we refer to as coal, one of the most important industries in the state of Wyoming.

The first Wyoming coal mine opened in 1869. At that time, most coal that was produced was used mainly for heating purposes. For many years, especially in the 1920's, all of Wyoming's mines were located underground, producing fully 10 million tons of usable coal per year since 1945. The coal industry brought many people to Wyoming from all over the country, sprouting many small towns throughout the state. Some of the ear-

liest mines were found near Sheridan, starting as early as 1893, Newcastle in 1890, and Kemmerer in 1897; references were being made to coal as early as 1891 in Sheridan, and records of Union Pacific coal shipments date back to as early as 1868 in some parts of Wyoming. At this time, there was no machinery in use and all the coal that was mined was brought up through vertical shafts using mostly horses and mules. Deaths of workers (which included many immigrants) were common, both at the coal mine and at the local saloon. Motorized mines started to appear as early as 1901 (The first electricity in Sheridan, for example, was put in place in 1893). From here on out, the industry of coal mining blossomed into an enterprise unparalleled by any other in the state.

Many things have changed since the early days of coal mining, and the most obvious factors are amount produced and cost. In 1991, coal production rose to 193,863,806 tons, more than 27 million tons more than number two West Virginia, and 37 million tons more than number three Kentucky. This 1991 figure is also seven million tons more than 1990. While coal production has steadily increased in Wyoming over the past decades, it is expected to drop by 1.5% in 1992, picking up again in 1993 until 1995 when it is expected that Wyoming will finally be producing over 200 million tons of coal per year.

Coal prices have been falling in the U.S. ever since they peaked in 1982-83. Even though this is true, coal still produced \$256.3 million in tax revenue for Wyoming in 1991; three sales of federal coal tracts will also add \$87.7 million to the state coffers over the next five years. This is very beneficial for Wyoming, especially since over \$30 million will go to Wyoming's schools and another \$19 million will go to the state's highways. In fact, the amount of money received from the coal industry will total \$560 for every person currently living in Wyoming.

Wyoming coal is some of the cleanest burning fuel in the world. Bituminous and sub-bituminous, the two most common types of coal in Wyoming, contain less BTU's (British Thermal Units) per pound than the older anthracite, which is not found in Wyoming, but these two Wyoming types do have a low sulfur content, making it environmentally desirable. The recently passed Clean Air Act puts limits on the amount of sulfur that can be contained in utilized coal because sulfur is a known pollutant. This makes our coal more advantageous because it meets federal regulations while also containing more BTU's than the cleaner lignite. Also, most Wyoming coal contains only 16 to 18 percent moisture. The highest moisture content is found in Powder River Basin, containing as much as 30 percent water; consequently, this coal has the lowest price.

The direct payroll of the coal industry indicates that 4,663 Wyoming residents were employed in 1991, computing an annual payroll of \$224 million. This figure, though, fails to take in the full impact of the coal industry on Wyoming residents. A recent University of Wyoming study shows that approximately 19,000 total residents were employed in one fashion or another in 1991 by the coal industry, equating to an economic impact of over \$2.7 billion contained entirely within the state of Wyoming. The large amounts of money produced by the coal industry have made such counties as Sweetwater and Campbell the wealthiest in the state.

It is estimated that 97% of all coal produced from Wyoming mines goes to producing electricity in 32 states and four nations.

The current method uses coal to heat steam which turns turbines which in turn power generators, bringing electricity to our homes. This process, while being the most widely used, had come under much attack lately because of the role it plays in air pollution. In answer to this, the industry has devised three new methods that produce energy without as many environmental side-effects. One method uses particles suspended in steam to react with the coal, thus heating the boiler for the steam generator more efficiently while avoiding the undesired pollutants. One of the most recent methods that is still being investigated is the combined-cycle systems. This method uses the cleaner coal gas to power a turbine. The exhausts from this are in turn used to heat water which forms steam to drive a secondary generator, resulting in more electricity with less by-products that can cause pollution.

Chances are that if you were to drive by a surface coal mine, you probably wouldn't know it. That's because all of the surface coal mines are reclaimed after their purpose is served. The Department of Environmental Quality's Land Quality Division enforces mine regulations for reclamation. In Wyoming, these regulations are followed perfectly, and often reclamation of coal mines results in natural land that is better than it was before. This allows for new vegetation as well as giving more wildlife a chance to survive and thrive on newly reclaimed lands. It is important to note that reclamation is required mostly for surface mines; the numerous "deep" mines in Wyoming do not require it.

While all land is reclaimed after a mining expedition, it is interesting that only .008% of the total land area of Wyoming is disturbed and reclaimed yearly. That means that barely 5,000 new acres of land account for billions of dollars for the state.

It can be said that the coal industry for Wyoming started millions of years ago with early vegetation, but has, in the last century, accounted for billions of dollars and thousands of jobs for the state and its citizens. Wyoming produces a relatively clean coal, and the environment is always a serious consideration. When the amount of money and jobs are weighed against the pollution and damage that coal creates, it's obvious that the Wyoming coal industry is one of the most beneficial institutions in the whole state.

WYOMING COAL—REVENUES, RESOURCES AND JOBS FOR THE STATE AND ITS CITIZENS
(By Tim Tysdal, Runner Up, Newcastle High School)

For a whole week Grandfather and Grandson had been planning a trip to the horse races, to see three mighty steeds perform. The steeds were known to some as Magic Mineral, Buried Sunshine and Black Diamond. On the edge of their seats with excitement, observers watched the three horses accelerate around the bend, heard the thundering of hooves, noticed their efficient strides, and the economical use of determination. Propelled by throbbing hearts, generously pumping life throughout a finely-tuned, complex network of mind and muscle, they boldly charged to the finish line. A three-way tie provided the enthusiastic crowd with spirit and a sense of pride.

Energetically Grandfather said, "This is just like coal mining."

Puzzled Grandson asked, "How so?" Grandfather replied, "These three steeds Magic Mineral, Buried Sunshine, and Black Diamond are all the same name for the substance referred to as coal."

Coal is a magic part of Wyoming's backbone. As common to most as butter and toast, Wyoming sells coal from coast to coast, and beyond. It fills domestic needs as well as providing countries like Japan, Spain, Canada, and Mexico with high grade coal for everyday use. As we accelerate around the bend of a new century, Wyoming is leading the charge with 29 coal mines located in seven counties. Their combined efforts fill the coal market with 189.5 million tons, one-fifth of the United States' total annual production of 983.7 million tons.

Just as the thoroughbred's hooves thunder across the racetrack, Wyoming's coal mines leave a small hoof print in the enormous seams of coal: 25 billion tons of accessible coal and an estimated 1.5 trillion tons of reserves. This amount of coal provides jobs for 4600 people directly, and many more times that indirectly, as other businesses thrive from their influence.

"How is that?" asked Grandson.

Grandfather, thinking, said, "Well, look around this race track and grandstands."

"What? I do not see any piles of coal," replied Grandson.

"No, no you're looking for coal directly. Over there, do you see that young lady, for instance—the one you've been eyeing?"

Bashfully Grandson said, "Yes."

"The cosmetics on her face, the pleasant perfume, and the nylons on her legs are all coal by-products."

"Wow! I have never seen coal look so good!" said Grandson. "Where else?"

"See that gentleman using his pencil? It is probably made from coal. Those tires on that pickup and the records providing music being played are all made from coal. The ink on our programs and the programs themselves, the paint on the barns and fences are all made from coal."

Grandson replied, "I thought coal was just for heat and cooking in homes."

Grandfather replied, "It is, and the linoleum on the floor, the ammonia in refrigerators to keep them cold. It is also in the dishes we eat from, the vitamins we take in the morning. . . ."

"Slow down, Grandfather. I am getting a headache!"

"Well, here. Take some aspirin. It is made from coal well."

"I see why those coal miners are wealthy," replied Grandson.

"You're thinking of direct production again. Because those miners put in long hours, they receive higher wages: \$924 dollars a week; but we also receive from them money for projects like schools, highways, water development, and a general fund for the state of Wyoming," Grandson said.

"Well, I bet the coal mines are larger than life and coal is as expensive as diamonds."

"Actually coal sells for about eight dollars a ton on the average. The cost of coal is determined by the quality, government-imposed costs, marketing conditions, and production costs. Since the United States has an abundance of coal Wyoming sells on a buyer's market. Up to half the price received is used to pay government-imposed taxes. The other half is used for a payroll of approximately \$224 million, also land leases, workers' compensation, royalties, and taxes. The state receives seventy-four million dollars in coal royalties on federal leases. These royalties provide the finest education for children of all ages, from kindergarten to college. The money pays school personnel and buys supplies like computers, desks, and books on all levels.

"Wow! The coal mines sound generous," said Grandson.

"Yes, they even manage to set aside funds for college educations in the form of scholarships. As for their size, only 5000 acres of new land a year are used by the twenty-nine mines combined. That's less than eight square miles of Wyoming's 96,989 square miles. Some of this land also encompasses the livestock producers who benefit from a second income provided by coal leases. This income makes their livestock healthier and of better quality for our consumers. As you can see, coal provides an abundance of jobs and revenues for Wyoming's people in all areas. One aspect that is oftentimes overlooked is reclamation."

"Reclamation?" replied Grandson.

"Sure. That's the replacing of topsoil, dirt, and rocks, back to the way they were, in as good or better shape than before the mining. This is required by law for the protection of land, air, and water. In Wyoming, coal mines operate under permits issued by the state to insure a healthy environment for all inhabitants," said Grandfather.

Curiously, Grandson asked, "Why do people want Wyoming coal, and how do they get it?"

Grandfather replied, "97.4% of Wyoming coal is used to produce electricity, and 93% of Wyoming coal is shipped by railroad. The buyers want the coal because of its high BTU heat energy and its low sulfur content. This ratio allows people to enjoy warm heat and clean air. By encompassing the railroads, Wyoming provides yet another means of jobs."

Grandson replied, "I see how you can compare coal mining to horse racing. Wyoming coal is like the heart pumping life into homes and communities, which are the muscles of our country. The jobs are what bring us a healthy life style and our nation's people are the mind controlling the mighty racing steed in the coal world, as well as our world."

Grandfather exclaimed, "Now you've got it!"

WYOMING COAL—REVENUES, RESOURCES AND JOBS FOR THE STATE AND ITS CITIZENS (Vanessa Hill, Runner Up, Encampment High School)

Black gold! Being originally from Texas, this was the term I heard used there to describe crude oil. After living in Wyoming for four years, I now know that the same term could be used to describe coal. Were it not for coal production, Wyoming would have the dubious distinction of being one of the poorest states in the nation.

Misinformation Wyoming citizens say, "Our state should not be so dependent on the mineral industry, we should develop tourism to take the place of the mining industry." In the calendar year 1991, Wyoming coal's contribution to the state was \$180,000,000 in severance taxes, ad valorem taxes, property taxes, sales and use taxes, plus \$74,000,000, the state's one-half of the federal mineral royalty. This makes a total of \$254,000,000 that Wyoming coal generated in revenue to the state in 1991. By comparison, the Wyoming Tourist Commission estimates that state and local governments received \$178,000,000 in revenue from tourism in 1991. It must be noted that the dollars generated from coal are actual, while tourism's contributions are estimated. The people of Wyoming should be thankful for our mineral industries, especially coal!

Wyoming is the nation's largest coal producing state. In 1991, the state established another record for coal production, 194 million tons, well ahead of Kentucky and West Virginia.

Most of the coal produced in Wyoming is burned by power plants to produce electricity. Although some coal is used by power plants in Wyoming, most is shipped by train to utilities in the midwest and south. Wyoming coal is low in sulfur content, which helps power plants to comply with current clean air standards.

Coal produced in Wyoming is competitively priced because most is found in thick beds close to the surface, with relatively level terrain, and large deposits in given areas. Also, the mines use efficient mining methods and gigantic mining equipment.

Wyoming is third in the nation in proven coal reserves, ranking behind Montana and Illinois. The 70 billion tons of reserves in Wyoming would be enough to last 360 years at current production levels. In addition, Wyoming has 885 billion tons of coal, not now counted as reserves, at depths down to 6000 feet. Ever improving technology could allow it to be used by future generations.

When mining was in its infancy, no one was aware of the need to consider the environment, so mining was not clean and acquired a bad reputation. Reclamation laws developed by the state and coal mining interests now ensure that after the coal has been removed, the land will be as good or better than it was before. Plans for reclamation must be made before mining begins, and takes into consideration restoring wildlife habitats and native vegetation. The land is contoured as nearly as possible to its original topography. Reclamation does not wait until mining is complete, but progresses continuously as part of the mining operation. The mined area is backfilled with the spoils taken from on top of the coal to be mined next. The topsoil is saved and placed on top of the reclaimed area, which is then replanted in native vegetation. Cattle and wildlife can be seen grazing contentedly in an area that a short time ago was a gaping hole in the ground.

We often think of resources as just the proven reserves of oil or minerals, overlooking the importance of people resources. Management and key personnel of coal mining companies seem to always be involved in community affairs, giving much more than just tax dollars and jobs to the area.

In 1991, Wyoming coal provided jobs for over 4600 miners, with a direct payroll totaling over \$200,000,000. Each job at a coal mine produces the need for more than two jobs in the surrounding communities.

Support industries are a vital part of the impact of Wyoming coal. They provide services essential to the operation of the mines. Mining would be impossible without fuel, oil, supplies, equipment, and explosives. There are engineers, consultants, construction contractors, and welding contractors. State-of-the-art communications systems are necessary along with computerized accounting and data processing.

These support companies provide a necessary service to the mines, but also provide high paying jobs and strengthen the state's tax base. As with the coal mines, each job in these support industries creates jobs in companies that provide goods and services to them. These people all pay various taxes and contribute to the vitality of the community.

Wyoming citizens that do not live near a coal mine are also beneficiaries of Wyoming coal. Tax revenues from coal is the backbone of support for most state services. Public education, water development, roads and highways all benefit from taxes paid by the coal industry.

Economic development is necessary for the well being of Wyoming, but many people live

in the state because of the sparse population and clean environment. Wyoming coal allows us to have large state revenues supplied with money coming from other states. Coal mining produces this revenue with a relatively small number of people for the tax dollars and payroll generated. Wyoming citizens get the benefits without having to provide the infrastructure associated with most industrialized, heavily populated states. Coal truly is Wyoming's black gold!

COAL, WYOMING'S PRIDE

(Janna Reinhart, Runner Up, Kelly Walsh High School, Casper)

The *Random House Dictionary of the English Language* defines coal as "a black or dark brown combustible material substance consisting of carbonized vegetable matter, used as a fuel." This definition is incomplete, however, because there is much more to this fossil fuel than can be written in a few sentences. Called "the black gold of the future," coal provides jobs, energy, revenue, and much more to the people of Wyoming.

Coal is the most abundant fuel in the United States, generating ten times as much energy as oil and gas combined. It produces almost fifty percent of the electricity used in America each year. It is used in the manufacturing of steel, concrete and paper. Some of coal's byproducts include plastics, paints, cosmetics, and pharmaceuticals. It also supports other industries: seventy-five percent of coal is transported by rail, making it the railroad's biggest customer.

The mining of coal is an expensive and time-consuming process. Coal can be mined by two different methods: underground and surface. The majority of coal mines in Wyoming are surface mines. This is because there is easy access to thick mineral deposits under forty-one percent of the state's surface. For this reason, Wyoming coal is more economically feasible to produce than coal in other areas.

Since the coal is relatively easy to get to, Wyoming is the leading producer of coal in the nation. During the week ending February 27, 1993, mining yielded four million tons of usable coal. Other sources are as far as 2,000 miles away, so this coal benefits not only Wyoming, but neighboring states as well.

Coal is the direct source of at least 4,500 jobs in Wyoming. It provides light and heat for homes. Its energy also supplies the state's power plants and trona, beet sugar, cement, and phosphate industries.

Besides directly supporting the people of Wyoming with employment, the coal industry fosters government programs by the taxes it pays each year. In 1989, coal companies paid over \$169,000,000 in taxes. These monies helped sustain many state programs: public schools, highways, community colleges, and water and sewer systems. Part of these taxes also go to Wyoming's Mineral Trust Fund, budget reserve account, and general fund. Since residents pay no income tax, the bulk of the tax burden is taken on by the state's large industries.

Of all of the coal mined in the United States, Wyoming's is friendliest to the environment because of its low sulfur content. Sulfur is a pollutant that contributes to poor air quality around the country and around the world. It is harmful to breathe, therefore the low percentage of it in Wyoming coal benefits the health of the people.

The coal from Wyoming companies also benefits the natural environment because the land is reclaimed after a mining operation has been completed. Diligent study

goes into the plan for returning the surrounding area to its original state. Grasses, shrubs and trees are carefully studied and tested before they ever touch the actual soil. These mixtures must be exactly right in order to produce rapid reclamation and a hospitable habitat for wildlife and livestock. Often these sites end up better off than they were before the mining process began.

Wyoming's coal corporations provide more than just land beautification and financial support to its constituents. These companies are caring citizens, too. They maintain necessary public utilities like power and sewer systems. They work with the public to furnish community centers and homes. They also give assistance in teaching growing counties, towns, and cities to manage themselves and meet new demands for service.

The people who work for the coal companies are good citizens, too. They are neighbors and friends. They work hard and take pride in their accomplishments. They are the reason the coal mining industry is so successful in Wyoming. Without their industrious efforts, many homes across the state would be dark and cold.

Coal is not just a source of heat and energy to the people of Wyoming, it is an integral part of every day life. It provides employment, without which families would suffer. It supports important government programs: programs to educate children, keep our roads and highways safe, and maintain proper sanitation. It protects the environment, both by the low sulfur content of its product, and by its efforts to improve and beautify the land it uses.

Coal is a source of pride for many Wyoming residents. They take pride in the work the people have done to produce it, and they take pride in the national recognition the state receives as a result of their dedication.

The dictionary definition of this "black or dark brown combustible mineral substance" paints an incomplete picture. Coal is light, warmth, heat, jobs, travel, education, health, nature, friends, and family. Most of all, Wyoming coal is pride. ●

GUN VIOLENCE AND AMERICA'S ATTITUDES

● Mr. SIMON. Mr. President, handgun violence involving America's children has reached epidemic proportions. The carefree days of childhood have been replaced by anxiety and fear. Schools, once a pillar of safety in the community, are no longer exempt from this senseless tragedy. Instead, students commonly witness shootouts in the confines of their classrooms. As a result, parents and teachers are forced to live in perpetual fear of the next violent outburst. This mind-numbing violence must be stopped.

In response to gun violence, the Joyce Foundation of Chicago recently funded a Louis Harris poll which examined the thoughts of the American people on gun-related violence and what Congress can do. The findings showed that 93 percent of adults see an increase in teenagers being killed by guns, while 8 in 10 feel that the problem of guns and young people has become a matter of urgency. The Harris poll also indicated that almost 90 percent of Americans support the Brady

bill. Even National Rifle Association members support the bill by a margin of 2 to 1. A large portion of the population also supports a complete ban on handguns. While I may not agree with all of those polled, I am certainly encouraged that most Americans have taken notice and are supportive of congressional action to reduce the level of gun violence.

I would also like to point out recent editorials from both the Chicago Tribune and Chicago Sun-Times, which cite this study and urge immediate action. I am in full agreement, and stand wholeheartedly committed to working toward reducing the spiraling problem of gun violence.

I ask that both the press release detailing the study and the two editorials be printed in full in the RECORD.

The material follows:

THE JOYCE FOUNDATION NEWS RELEASE

A new survey by Louis Harris of LH Research shows increased support among Americans for measures to limit gun violence and a dramatic increase in concern about the impact of gun violence on the lives of American children.

According to the poll, which was funded by the Joyce Foundation of Chicago, 78% of adults believe that concerns over physical safety change the lives of children today. 77% believe young people's safety is endangered by there being so many guns around these days. Only 29% believe that most children are safe from violence in the schools.

"The American people have come to believe that the widespread possession of guns has created a pall of violence across the land that has engulfed the lives of children," Louis Harris observed. "Gun-related casualties among children, they believe, have become a major health hazard for the young."

In the same poll, Americans favor "a federal law banning the ownership of all handguns, except those given permission by a court of law" by a margin of 52-48%, with 5% undecided. The Brady bill has the support of the vast majority of Americans, by an 89-9% margin, with 2% undecided. Even NRA members support the Brady bill by a 2-1 margin. And Americans favor a law banning the sale of all automatic and semi-automatic guns by a 63-31% margin, with 6% undecided.

A striking number of Americans know children who have had experiences with gun injuries and deaths.

One in five parents say they have or know someone who has a child who was wounded or killed by another child who had a gun.

One in five parents knows a child "who was so worried that he or she got a gun for self-protection." That percentage rises to one in three for African-American parents.

One in six parents knows a child who was found playing with a gun that was loaded.

"The new data confirm that Americans are desperately concerned about how guns affect their children, and that's what we wanted to find out," said Joyce Foundation president Deborah Leff. "Parents say many of their children can't concentrate in school, that they're afraid to go outside, that their entire quality of life is lessened because there are so many guns out there. We have to find a way to put a stop to the killing and to focus on prevention."

The survey was prepared for the Harvard School of Public Health, which has a planning grant from the Joyce Foundation to develop strategies to reposition gun violence as a public health issue.

"The widespread proliferation of guns in a highly stressed society is a prescription for serious trouble. The key challenge facing the research community is to devise effective responses to a terrible problem that is tearing at the fabric of American society," said Dr. Jay Winsten, Associate Dean and Director of the Center for Health Communication at the Harvard School of Public Health.

"Researchers at the Harvard School of Public Health are leading major initiatives to identify factors that give rise to violence, to teach young people to resolve disputes without recourse to violence, and to develop strategies to prevent gun-related injuries and fatalities. The School's Center for Health Communication now is developing plans for a national mass communications program to focus public attention on effective strategies for reducing gun-related violence."

Other key findings of the poll are:

There has been a turnaround in the position of single issue voters. Previous polls have shown that people who said they would change their vote because of a candidate's position on guns were against gun control. Now, those single issue voters are gun control proponents by a significant margin *** a margin that could cause a swing of 5 percent in a race where guns were a major issue.

Women feel far more strongly about limiting handguns than men. For example, 61% favor a handgun ban, compared with 42% of men. And they are much more likely as single issue voters to support pro-gun control candidates.

The number of households reporting ownership of a gun has declined from 45% in 1989 to 42% today *** about 40 million homes. About 3/4 of gun-owning households possess at least one handgun. The survey estimates total handgun ownership in the United States at 49 million.

Only 44% of parents of children under 18 who own a gun keep that gun under lock and key.

The percentage of people who say they are NRA members has declined from 14% in 1987 to 7% today.

The LH Research survey of a nationwide cross-section of 1,250 adults aged 18 and over was conducted between April 3 and April 12, 1993. The margin of error is plus or minus 3%.

The Joyce Foundation, based in Chicago, has assets of \$435 million and makes grants to nonprofit organizations that are located in or have programs that are important to the quality of life in the midwest. Its areas of concern are conservation, culture, economic development, education, elections reform, gun violence, and childhood immunization.

[From the Chicago Sun-Times, June 6, 1993]
BREAK MENACING CYCLE OF GUNS AND VIOLENCE

"Leaving for school is scary. You never know when you might get shot. You never know when someone might shoot at you out of a window. *** No one seems to care about the children of the future."

Demetrius Jones, a student at Woodson North Elementary School, wrote those words in a contest sponsored by Hyde Park Bank. The bank asked children to write about city life.

Sean Williams of Beasley Academic Center wrote: "The houses in my neighborhood look so pretty, but I don't see my neighborhood much. I only go outside when I get in the car or go to school. I don't like my neighborhood because they shoot so much. They might shoot me."

From Gail Whitmore of Woodson South Elementary School comes: "In my neighborhood there is a lot of shooting and three people got shot. On the next day when I was going to school I saw a little stream of blood on the ground. One day after school me and my mother had to dodge bullets."

From the mouths of elementary school students comes the startling truth: Guns are no longer just a civil liberties issue. They are a leading cause of death among all Americans and a growing cause of death among children.

Of 844 people charged with murder in Chicago last year 377—or nearly 45 percent—were under the age of 21. More than 200 of their alleged victims were 11 to 20 years old.

Teens who once settled disputes with their fists now settle them with guns. Parents who wouldn't dream of harming their children leave loaded pistols in unlocked bedside drawers. Children who should be playing hide and seek instead are dodging bullets and wondering whether they will live to be 30.

The Joyce Foundation of Chicago opens its 1992 annual report with the writings of Demetrius, Sean and Gail. They're the reason the foundation is spending \$260,000 to begin reframing the national debate on guns and violence.

The first phase, a national survey conducted by Louis Harris & Associates, shows the country is ready for change.

Consider these results, released Thursday by the foundation:

Three-quarters of the adults surveyed said they believe the safety of children is endangered by the proliferation of guns.

One in five parents knows a child who was wounded or killed by another child who had a gun.

One in three African-American parents knows a child "who was so worried that he or she got a gun for self-protection.

One in six parents knows a child who was found playing with a gun that was loaded.

The results don't surprise Dr. Katherine Kauffer Christoffel. A physician at Children's Memorial Hospital in Lincoln Park, Kauffer Christoffel has been fighting the proliferation of guns for years.

She doesn't understand why the rest of the country doesn't see this as a national epidemic. Polio was considered a national crisis in 1952, when 3,145 people died from that dreaded disease. But in 1990, 5,000 American children died of firearms injuries, and she has been one of the few people crying for change.

But concern over the proliferation of guns in America is growing. More than half of the survey participants said they support a total ban on handguns and two-thirds support a ban on automatic and semiautomatic weapons. A whopping 89 percent said they support the Brady Bill, which would require a seven-day waiting period for handgun purchases.

The percentage of people who identified themselves as NRA members declined from 14 percent in 1987 to just 7 percent today. Forty-two percent of the survey participants said they own a gun, down from 45 percent in 1989. If the survey results are accurate, the trend is refreshing.

The Joyce Foundation will turn over the results of the Harris poll to the Harvard School of Public Health, the group that created the highly successful "designated driver" public awareness campaign to curb drunken driving.

Jay A. Winsten, director of the Center of Health Communications at Harvard, believes there is the same potential for reframing the national debate on guns. Proponents want to

recast firearms as a public health menace that average citizens abhor.

Chicago still is mourning the tragic loss of Dantrell Davis. Los Angeles still is reeling from the April, 1992, riots. The entire country still is puzzling over the weapons arsenal amassed by a lunatic in Waco, Texas.

The Joyce Foundation is onto something. Remember, just a few years ago the college student who volunteered to drink soda all night was considered a geek. Today, the designated driver is a hero who is universally lauded.

Dr. Kauffer Christoffel believes it will take five to 10 years to stop the killing of children. We can't afford to wait any longer.

The time is right.

[From the Chicago Tribune, June 8, 1993]

AMERICA: SCARED TO SOBRIETY ON GUNS

The American people are coming to realize that the United States is in the grip of an epidemic of violence spread from the barrels of guns, and they are scared.

Scared because children in many neighborhoods can't walk to school without worrying whether they'll be plugged in the back. Scared to the point that many elderly people no longer walk the streets in daytime, much less at night. Scared because once-safe neighborhoods are now dangerous. Scared because the notion of a "tough" neighborhood is now quaint; those neighborhoods have become free-fire zones.

That is the import of a new national poll prepared for the Harvard School of Public Health under a grant from the Joyce Foundation, and released last week. Conducted by Louis Harris, the survey of 1,250 adults shows the stunning impact guns have on everyday life in America—an impact that has coalesced a growing national consensus in favor of stronger, more effective gun control. Unfortunately, that consensus has yet to find expression in legislation.

Large majorities in the Harris poll said that the availability of guns has made their children more concerned about their safety in school and that their children have learned "to act tougher" to protect themselves. Nearly half said their children worry over the daily threat to their physical safety. Nearly one in five said they knew someone who had a child who was wounded or killed by another child with a gun.

These findings reflect the psychological impact of what the federal Centers for Disease Control and others increasingly refer to as the public health problem posed by gun violence. In just a few years, the CDC expects, firearms will surpass motor vehicle accidents as the leading cause of injury deaths in the nation. For some statistical groupings, it already has.

The Harris poll also found a clear political consensus developing in support of stringent, national gun control. Among adults, 89 percent favor passage of the Brady Bill, which would require a five-day waiting period for handgun purchases and encourage criminal background checks on prospective buyers. Significantly, even two of three respondents who said they were members of the National Rifle Association favored the Brady Bill.

The consensus goes further. The poll found 63 percent favor a federal ban on sale of automatic and semi-automatic guns. And sentiment for banning all handguns has shifted substantially, with 52 percent in favor now as opposed to 41 percent three years ago.

So with the public primed for action, where are the lawmakers? Congressional leaders haven't even scheduled the Brady Bill for committee hearings, even though

President Clinton has said he will sign it. Meanwhile, more stringent gun control measures are forced to wait until the Brady Bill comes to a vote.

Some say gun control will have to wait until after Congress considers the president's health care plan. In fact, gun control ought to be thought of as part of any serious health care agenda. Besides the human toll, the daily stream of firearms victims rushed to emergency rooms takes an enormous financial toll.

The Joyce Foundation is to be commended for its effort to focus attention on guns as a health issue. Congress, if it remains deaf to the deadly crack of gunfire in the streets, will have to be awakened by the drumbeat of public opinion. ●

TRIBUTE TO FREDERICK ERWIN

● Mr. LIEBERMAN. Mr. President, I rise today to pay tribute to a dedicated broadcaster and good friend, Frederick Erwin.

Fred Erwin, who recently passed away at his home in Waterbury, CT, was general manager of radio stations WATR-AM and WWYZ-FM. His broadcasting career began in 1955 at WATR/WWYZ. In 1968, he was named general manager and held that position until his death after a long illness.

I am proud to have known Fred not only in his broadcasting role, but in his role as a leader of the Democratic Party in the Naugatuck Valley, and most important, as a very good friend. Fred Erwin was a man with a sense of humor that could brighten up the darkest days. He was an honest man who cared about his community. One of his most successful projects was the WATR Sunshine Fund which continues to give food and toys to needy families during the holidays. Fred was a man of conviction and faith and very active in the Immaculate Conception Church in Waterbury. He served in two wars, World War II and the Korean war, as well as in the Connecticut National Guard.

I last saw Fred on election day in 1992. We shared our thoughts about the high voter turnout in Connecticut on that day and the hopes that the day would be victorious for Democratic candidates in the State and across the country. We talked about the station and his hope for the future of broadcasting, including the technological innovations that had brought his small station into the 21st century.

Fred Erwin will be sadly missed by those in his immediate family; his wife, Patricia, his sons, daughters, and grandchildren, and by those of us in his larger, extended family, his friends and listeners. Those of us who knew Fred

Erwin would best honor his memory by recalling the good old days and the lively discussions shared with a good friend who really cared about you. That friend was Fred Erwin. He will be deeply missed. ●

ORDER OF PROCEDURE—S. 1134

Mr. MITCHELL. Madam President, I ask unanimous consent that when the Senate begins consideration of S. 1134, the reconciliation bill at 10 a.m. tomorrow, that the first 4 hours of consideration be for debate only equally divided in the usual form.

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

ORDERS FOR TOMORROW

Mr. MITCHELL. Madam President, I ask unanimous consent that when the Senate completes today, it stand in recess until 9 a.m., Wednesday, June 23; that following the prayer, the Journal of proceedings be deemed approved to date; and the time for the two leaders reserved for their use later in the day; that there then be a period for morning business, not to extend beyond 10 a.m., with Senators permitted to speak therein for up to 5 minutes each; with the following Senators recognized for the time limits specified: Senators CHAFEE and LAUTENBERG for up to 15 minutes each and Senator GRAMM for up to 10 minutes; that at 10 a.m., the Senate proceed to S. 1134, as under the previous order.

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

RECESS UNTIL TOMORROW AT 9 A.M.

Mr. MITCHELL. Madam President, if there is no further business to come before the Senate today, I now ask unanimous consent that the Senate stand in recess as previously ordered.

There being no objection, the Senate, at 8 p.m., recessed until Wednesday, June 23, 1993, at 9 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate June 18, 1993, under authority of the order of the Senate of January 5, 1993:

EXECUTIVE OFFICE OF THE PRESIDENT

ALAN S. BLINDER, OF NEW JERSEY, TO BE A MEMBER OF THE COUNCIL OF ECONOMIC ADVISERS, VICE DAVID F. BRADFORD, RESIGNED.

JOSEPH E. STIGLITZ, OF CALIFORNIA, TO BE A MEMBER OF THE COUNCIL OF ECONOMIC ADVISERS, VICE PAUL WONNACOTT, RESIGNED.

Executive nominations received by the Senate June 22, 1993:

SUPREME COURT OF THE UNITED STATES

RUTH BADER GINSBURG, OF NEW YORK, TO BE AN ASSOCIATE JUSTICE OF THE SUPREME COURT OF THE UNITED STATES, VICE BYRON R. WHITE, RETIRED.

DEPARTMENT OF STATE

ANDREW J. WINTER, OF NEW YORK, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF THE GAMBIA.

DAVID LAURENCE AARON, OF NEW YORK, TO BE THE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT, WITH THE RANK OF AMBASSADOR.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

G. EDWARD DESEVE, OF PENNSYLVANIA, TO BE CHIEF FINANCIAL OFFICER, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, (NEW POSITION)

SUSAN GAFFNEY, OF VIRGINIA, TO BE INSPECTOR GENERAL, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, VICE PAUL A. ADAMS, RESIGNED.

IN THE AIR FORCE

THE FOLLOWING OFFICER FOR APPOINTMENT IN THE RESERVE OF THE AIR FORCE, TO THE GRADE INDICATED, UNDER THE PROVISIONS OF SECTIONS 593, 8218, 8373, AND 8374, TITLE 10, UNITED STATES CODE:

To be brigadier general

COL. WILFRED HESSERT, XXX-XX-XXXX AIR NATIONAL GUARD OF THE UNITED STATES.

IN THE ARMY

THE FOLLOWING NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. JAMES D. STARLING, XXX-XX-X... U.S. ARMY.

THE FOLLOWING-NAMED MEDICAL CORPS OFFICER FOR APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES TO THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 611(A) AND 624(C):

To be permanent brigadier general

COL. VERNON C. SPAULDING, XXX-XX-X... U.S. ARMY.

IN THE NAVY

THE FOLLOWING-NAMED COMMANDER IN THE LINE OF THE NAVY FOR PROMOTION TO THE PERMANENT GRADE OF CAPTAIN, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 624, SUBJECT TO QUALIFICATIONS THEREFORE AS PROVIDED BY LAW:

UNRESTRICTED LINE OFFICER

To be captain

JOHN FORREST SCHORK

THE FOLLOWING NAMED DISTINGUISHED NAVAL GRADUATES TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OF STAFF CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

TODD A. BRAYNARD

BRIAN P. EGGING
JEFFERY R. SPRINGBORN

THE FOLLOWING NAMED U.S. NAVY OFFICERS TO BE APPOINTED PERMANENT COMMANDER IN THE MEDICAL CORPS OF THE U.S. NAVAL RESERVE, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 593:

JOHN G. BRADY
CAROL A. CAPLAN
THOMAS J. GELLER
MICHAEL R. GOLER
DAVID B. JONES

JACKIE R. MILLER
IVAN Y. PEACOCK
BRIAN L. PETERSON
THOMAS F.J. SHUEY
SUSAN S. WALKER

THE FOLLOWING NAMED U.S. NAVY OFFICERS TO BE APPOINTED PERMANENT COMMANDER IN THE DENTAL CORPS OF THE U.S. NAVAL RESERVE, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 593:

GREGORY J. HEISE

CHARLES L. KIMBERLY