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SENATE—*Friday, September 24, 1993*

(Legislative day of Tuesday, September 7, 1993)

The Senate met at 9:30 a.m., on the expiration of the recess, 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:

Almighty God, on this eve of Yom Kippur, we thank You for the Book of the Law and for atonement, which is at the heart of Scripture.

"Submitting yourselves one to another in the fear of God." (Ephesians 5:21)

Father in Heaven, we pray for our families this morning. We acknowledge the tendency to allow our work to have priority over spouse and children. We acknowledge that our first responsibility is to them, and no excuse we might offer justifies such neglect.

This has been a very busy week. Whatever else the Senators plan for this weekend, help them make time for their families.

In Jesus' name. 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 bill clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 24, 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, leader time is reserved.

THE JOURNAL

Mr. MITCHELL. Mr. President, parliamentary inquiry. Has the Journal of proceedings been approved to date?

The ACTING PRESIDENT pro tempore. Yes, it has.

SCHEDULE

Mr. MITCHELL. Mr. President and Members of the Senate, this morning the Senate will continue consideration of the Labor-HHS appropriations bill. There is pending before the Senate an amendment by Senator WELLSTONE and other Senators on which I hope and expect a vote will occur today. The staff on both sides have been working diligently to develop an agreement with respect to the further consideration of this measure on Monday and Tuesday, and I hope to have an announcement with respect to that schedule prior to the close of business today.

As I previously announced, there will be no votes after 2 p.m. today to permit Senators to engage in the observance of the religious holiday, Yom Kippur. It is my hope that we can actually get enough done today so that we can discontinue voting prior to 2 p.m. The final decision on that will await the events of this morning and the presence of the managers and staff on this measure.

I will have a further announcement later today.

Mr. President, with respect to next week, as all Senators know, the fiscal year for the Federal Government ends at midnight next Thursday. It had been my hope that the Congress could complete action on all of the appropriations bills prior to the end of the fiscal year. That now appears unlikely in the Senate. In the Senate we have a number of appropriations bills yet to consider, and Senators can and should expect lengthy sessions on Tuesday, Wednesday, and Thursday as we try to complete as many of those appropriations bills as possible.

For the information of Senators, in planning their schedules, we are now on the Labor, Health and Human Services appropriations bill. When we complete action on that, I will attempt to and hope I will gain the cooperation of Members of the Senate in proceeding to the energy and water appropriations bill.

There will then be remaining for action the military construction, transportation, and defense appropriations bills.

So we have a lot of work ahead of us and Senators can expect a very busy session next week with a lot of votes.

I do want to thank all Senators for their cooperation on completing action on the foreign operations appropriations bill, which took about 1 day starting on Wednesday late in the day and completing action yesterday, and on the previous appropriations bill. There has been good cooperation on these. I hope that will continue as we try to complete action on as many of the bills as possible. However, given the large number that remain uncompleted, particularly with respect to the conference reports, there will undoubtedly have to be a continuing resolution. I will be discussing that with Members of the House leadership and with the Republican leader here as well.

As I previously announced to Senators, the Senate will not be in session on Friday, October 8; Monday, October 11; and Tuesday, October 12 in connection with the Columbus Day weekend.

All other days, as I stated on several previous occasions, both orally and in writing, whenever the Senate is in session votes may occur at any time, including votes on procedural matters. So Senators should be prepared to come to the Senate at any time within 20 minutes.

Mr. President, I yield the floor. I note the presence of the author of the

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

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pending amendment and other Senators who may wish to debate that.

I yield the floor and ask that the clerk place before the Senate the pending matter.

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1994

The ACTING PRESIDENT pro tempore. The Senate will now resume consideration of H.R. 2518, which the clerk will report.

The bill clerk read as follows:

A bill (H.R. 2518) making appropriations for Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ended September 30, 1994, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Wellstone amendment No. 964 (to committee amendment beginning on page 9, line 23), to assure that Members of Congress participate on an equal basis with their constituents in the health care system that results from health care reform legislation.

The ACTING PRESIDENT pro tempore. Does anyone seek recognition?

Mrs. BOXER. Mr. President, I note the absence of a quorum.

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

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. FEINGOLD). Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. HARKIN. Mr. President, I ask unanimous consent that, for purposes of floor consideration of H.R. 2518, the Labor, Health and Human Services appropriations bill, William Cordess, Roberta Jones, and Carol Ortega be given floor privileges. They are temporarily detailed to the committee staff.

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

Mr. HARKIN. Mr. President, could we have the pending business before the Senate?

The PRESIDING OFFICER. The pending business is amendment No. 964, a second-degree amendment.

Mr. HARKIN. I understand, Mr. President, that that is the Wellstone amendment.

The PRESIDING OFFICER. That is correct.

Mr. HARKIN. Mr. President, I understand that the Senator from Minnesota is ready to engage in debate on the amendment. I know that there are Senators who wish to speak on this. I just wanted to alert everyone that we are now beginning the process of debating the Wellstone amendment.

Mr. WELLSTONE. I thank the Senator from Iowa.

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

AMENDMENT NO. 964

Mr. WELLSTONE. Mr. President, later on I will also list some of the cosponsors of this amendment. This is a sense-of-the-Congress amendment and let me, for my colleagues, read some of the findings and then the final wording.

Whereas:

Congress is expected to consider legislation in the near future that would offer health insurance plans at different prices;

Whereas:

The reform is likely to include a standard health care plan designed to be affordable to average Americans, but also will make more expensive plans available to those who can afford them;

I am not going to go through all the findings.

Whereas:

Differences in the prices of the plans could result in differences in quality, and could also affect an individual's ability to choose between managed care and fee for service plans;

I am skipping over one.

Whereas:

Members of Congress should not create a system designed to impel millions of their constituents to join health care plans they themselves are unwilling to join;

I will repeat that, as well.

Whereas:

Members of Congress should not create a system designed to impel millions of their constituents to join health care plans they themselves are unwilling to join;

And, whereas:

Members of Congress who participate in the standard, average-priced health care plan can provide an immediate warning of quality problems, deficiencies, and underservice, and can thus ensure that everyone, regardless of income, place of residence, health status, or employment will have access to quality health care;

What this amendment calls for is a sense of the Congress:

* * * that when health care reform legislation is enacted, all Members of Congress should enroll in a standard health care plan that charges no more than the average premium.

Mr. President, let me just point out to my colleagues a couple of different things which I think are going to be very helpful as we go through this debate and finally come to a vote. First of all, this amendment is focused on what we finally do as a Congress by way of health care reform. It is not about any particular proposal.

The President is going to be sending his plan our way. Other people have other plans. It is not linked to any particular plan. Rather, it is the principle that what we vote for our constituents, which we say is going to be the health care plan in terms of the cost of it for the vast middle class of America, we should apply to ourselves.

The way this is going to work—and I would like to pick up on what the President of the United States said the other night when he talked about the importance of all of us coming together as a Nation, and he talked about the importance of all of us being in this together. Roughly speaking, the direction we are going by way of health care reform is that what the employer contributes 80 percent to, and the employee 20 percent to, is going to be what we set as the average price plan set by your alliances. This is the baseline plan. The idea behind this is that this is the plan in which the vast majority of people are going to participate.

The reason that is the idea—and I think it is a very good idea to make sure it is inclusive, to make sure it is a good package of benefits, to make sure people feel it is a good health care plan—is that we know above and beyond employer 80-percent contributions and employee 20-percent contributions, that most of the people in the country, middle income and lower income, certainly are not going to have yet additional money with which they are going to be able to purchase yet higher tier plans.

What we do not want to have is a lot of stratification, where the vast middle class is in one plan and then they see some Americans yet opting out for other plans where the location, where the men and women who are doctors and nurses, where the delivery of services is vastly superior.

What we are saying through this amendment is that it is extremely important that we convey the message to people in our country that we are committed. We do not know what the base plan is going to be yet. That is up to us to set that. We are committed to making sure that 80–20 contribution to the baseline plan is going to be a plan set at such a level that the middle class of America can be absolutely assured that it is going to provide them and their children with humane, dignified health care.

One of the ways we can best communicate that is to say we should participate in that plan; that we do not want there to be a difference between what we vote for the vast majority of people in our country who, by economic circumstances, are going to be in this plan, and what we would apply to ourselves.

Just to be crystal clear, this is not saying that Senators or Representatives will not have choices within what is set at the baseline level, because there should be HHMO options and fee for service options; because, as the President said, we want to have that choice for citizens. All of where this goes, all of how this baseline plan is set, is based upon what we do legislatively. All I am saying through this amendment, and what I think we will

say as a Senate when we vote for this amendment, is that we are willing to participate in what we vote for our constituents.

Finally, let me make one other point because I think it is an important one. I would argue for this amendment—there are a number of other cosponsors who may also be involved in this debate—because I think it creates a very interesting, if you will, dynamic, and leverage here in the U.S. Senate and I hope in the House of Representatives when we sit down and decide a package of benefits and decide where the baseline level is set, and we will be saying to ourselves that we went on record saying this is something we are willing to participate in. It will make us all very mindful of what I think the President did the very best job of the other night, which was to speak to the security issue and say to people: You are going to have really good coverage for yourselves and your loved ones, and it is going to be a really good package of benefits.

People through this amendment are going to have that assurance. If we say it is good enough for us, surely we will be working very hard to make sure it is good for our constituents. That is really what this amendment says.

My last point, and I feel strongly about this, and for this one I am willing to take some heat, I guess, even though I wish that was not the case: I really do believe that in a representative democracy, there should not be a great disparity between the lifestyles and the benefits and whatnot of those of us in Government and the people we represent.

I think for us to pass this sense-of-the-Congress amendment, that does not say each Senator or Representative has to do this. Constitutionally, I could not call for that in this amendment. It just simply says we should go on record saying we should participate in the same basic package of benefits, the baseline plan we set for the majority of people. I think that message says to people: We want to participate in the same health care plan. We think what we vote for you, we should vote for ourselves.

I think there is within the country a kind of politics of anger. Some of it bothers me very much because I think part of that very politics of anger gets translated to an across-the-board denigration of public service and people in public service and bashing that I think every single Senator and Representative should stand up to, because that can lead to a further decline in democracy.

But where I think politics of anger should go is into a citizenry that is more engaged, a citizenry that is more energized, more involved in the debate, and wants to be in the loop. I think it is perfectly reasonable for the vast majority of our constituents to say to us: When you set that baseline plan, which you know is what we can afford because we are not going to be able to afford more, we want to make sure it is a really good plan and we would very much appreciate it if you would say you are going to participate in the same plan.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I would like to discuss a couple of the contentions which the distinguished Senator from Minnesota has raised. At the outset, I say it is a very interesting amendment which Senator WELLSTONE has offered. He sent a "Dear colleague" letter out on September 23, yesterday. I heard about the amendment for the first time last night. It is one which will require analysis and consideration.

As I listened to what the Senator from Minnesota has said, a few questions came to my mind. I think there will be more as we move through the debate.

On the face of the amendment, the Senator from Minnesota says that:

> The best guarantee of equity in a social program is to include people of all income levels and social classes in the same system with the same benefits as is the case in the health care systems of most other industrial countries.

As I read that and heard his statement this morning, "Some Americans may opt for superior plans," it seems to me that what the Senator from Minnesota is really talking about is not just that Members of Congress should not have a plan superior to what other Americans have, but that no one should have a plan superior to what is the baseline for all Americans.

Where his amendment says flatly that the best guarantee of equity in the social program is to include people of all income levels and social classes in the same system with the same benefits, that goes far beyond Members of Congress.

So my first question to the Senator from Minnesota is: Would it not be preferable to extend the ban on superior systems beyond Members of Congress, as your amendment calls for, to all people, people of all income levels and social classes?

Mr. WELLSTONE. Let me reply to my colleague that, first of all, in the "whereas" findings, the position I am taking—which by the way, the vast majority of people I think agree with—is that the best of all worlds is to have one tier of benefits that applies to everybody, not to have a stratification.

As a matter of fact, I think that would be the best of all worlds. That is not the direction we are going in, and that is not what I am speaking to today. I am speaking to my colleagues in the Senate, and what I am saying, one more time, is that we know as we move forward with this health care reform bill—let us focus on specifics—that one of the key points that all of us who have been involved in this debate know is going to be where that average premium is set, where that basic level of benefits is going to be set, because what we are saying, what the President is saying, what the task force is saying, and what all of us are saying is that through these alliances, that is going to be the plan for the vast majority of people, the middle class.

So all this amendment says is that Senators should go on record saying that we, too, are willing to participate in that same plan that we now devise for the middle class of America. That is all this amendment says. That is all we are going to be voting on.

You and I can have differences of opinion as we look comparatively around the world as to which health care systems work best, which ones do not work as well, but that is not what this amendment speaks to.

Mr. SPECTER. When the Senator from Minnesota says that it would be the best system to have all Americans with the same plan, and then says that is not the direction we are going, it seems to me that what Congress is going to decide is what our direction will be. We have the President's plan which would allow all Americans, including Members of Congress, to have a better system if we want to pay extra for it.

So it is not a response to say that is not the direction we are going. The Senator from Minnesota wants to change the direction, and I respect his contentions, but my question is: If we are looking for the best system—which he articulates the best system would be if everybody was the same—it is not sufficient to say that is not the direction we are going.

We are the Congress. We can decide what the direction will be. Short of something which is unconstitutional, which is another question on this amendment, but short of something unconstitutional—and Members of Congress have rights under the Constitution; there is no exclusion that I know of, and I have read the document a few times. But putting aside the constitutional issue, we are going to decide the direction. You want to change the direction. Why not do it the best way? And you have articulated the best way is that everybody ought to be limited to the same thing. Why not?

Mr. WELLSTONE. I say to my good friend from Pennsylvania, I appreciate the point that he just made and I actually have tried to make the same point, and that is that it is really quite up to us as to what we ultimately decide by way of legislation. It may very well be as we move forward, you know, you take it one step at a time, and it may be later on there will be plenty of opportunities as we dig in and look at this that we will be able to change it in any number of different ways.

But I say to my colleague, this is Health Care Week. We just started out with a focus on health care in the Nation. We know, roughly speaking, the outline of the plan that is going to be before us, and that plan is an 80–20 contribution to an average premium set which is going to be a baseline plan which is going to be for the vast middle class.

What I am saying is as we start out this debate today, you cannot do everything with one amendment, you cannot do everything on 1 day, it would be positive, it would be healthy, and it would be important for us to go on record saying we believe that we should participate in the same average premium plan that we are going to apply to the vast majority of the people we represent. That is simply the principle behind this amendment. I, frankly, cannot understand why there is really opposition to it.

Mr. SPECTER. Mr. President, when the Senator from Minnesota says he cannot understand why there is opposition to it, I do not know that any opposition has emerged yet.

Mr. WELLSTONE. I stand corrected. I appreciate that. I stand corrected.

Mr. SPECTER. I am just asking a question——

Mr. WELLSTONE. I stand corrected. I appreciate that.

Mr. SPECTER. And even though the Senator from Minnesota stands corrected, opposition is what makes the world go round. Even President Clinton said that he expected some good-faith opposition.

Mr. WELLSTONE. I stand corrected again.

Mr. SPECTER. Let me move on then and not belabor that point. I will find some other points to belabor.

When you say we cannot do everything in 1 day, listen, I agree we cannot do everything in 1 day, but the President said this is an opportunity for a generation. The distinguished majority leader was on the floor last night saying this was the opportunity of 25 years. So I would say that with lofty goals, we ought to try to do as much as we can. We ought to set our sights on everything, and we ought not to fall short.

If the principle really is that all Americans ought to have the same plan—and there will be time to offer other amendments; other Senators, perhaps this Senator, may offer an amendment to that effect—but I would say we ought to set our sights on really doing everything and not to take a lesser stand here.

The Senator from Minnesota says that the lifestyle of people in Government ought to be—and I think this is the substance at least, if not the exact verbiage—ought to be the same as the people we represent.

May I ask what the statement was, because the Senator from Minnesota is shaking his head no.

Mr. WELLSTONE. Mr. President, I believe what I said, which I believe from the bottom of my heart, one of the major reasons I ran for office was that there should not be a great disparity between the lifestyles or the benefits of those who govern and those they represent. I think that is a very important principle in representative democracy.

Mr. SPECTER. Mr. President, it seems to me that this is the thrust of the amendment, and it may be a laudable theory, but the question that comes to my mind is how realistic is it? The Senator from Minnesota and I are wearing the glen plaid suits today. I think his is a little more expensive than mine. I know a lot of my constituents in Pennsylvania do not enjoy our standard of dress. I do not think they enjoy the kind of housing I have here, or the Senator from Minnesota, as a second home. My car is a 1976 car. Most people drive later models. But how realistic is it to articulate a course of having similar lifestyles? I will pose that as a rhetorical question. I am not going to ask for an answer on that.

Mr. WELLSTONE. Will the Senator yield for a moment?

Mr. SPECTER. Let me pose it as a question so I do not lose my right to the floor. But I will yield—let me restate that.

The PRESIDING OFFICER. The Senator from Pennsylvania has the floor.

Mr. SPECTER. I yield, with unanimous consent I do not lose my right to the floor.

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

Mr. WELLSTONE. I had wanted to respond.

Mr. SPECTER. I did not want to ask a vague, ethereal question, but I will be pleased to hear your view.

Mr. WELLSTONE. First of all, I think we will not talk about the suits because I do not think that has much to do with the debate.

Mr. SPECTER. Wait a minute. Does not the suit have to do with lifestyle? The Senator is talking about some pretty important things.

Mr. WELLSTONE. Let me just say to my colleague that I bought my suits to run for the Senate—and I have several—at bargain prices. But I do not choose to talk about the price of the suit because that is not what we are talking about today. There is nothing in this amendment—and my colleague, being a fine Senator, knows this—that says anything about identical suits or clothes or cars between Senators and Representatives and the people they represent. I am talking about what is a compelling issue in the United States of America—health care.

I am saying—and if I am wrong, my colleagues can tell me that I am wrong—that I think people have thrust forward an interesting standard in this country, and I think this is kind of more recent, I say to my colleague, and it goes something like this. When you start talking about a package of benefits and baseline plans and legislation that applies to the vast majority of people, apply it to yourself. We do not like to see you all with a lot of what we would consider to be extra benefits which we are not able to have.

I think that is the only issue. I am not proposing this amendment to talk about suits or anything else. I am talking about health care. And I am certainly not proposing this amendment to add to what I think has been an indiscriminate denigration of public service since I think what we do is very important.

But on this issue, given the kind of concerns people have around the country as to what these alliances and what this baseline plan will be—and I think the President was right on the mark when he said this is going to be the equivalent of a Fortune 500 plan. All I am saying in this amendment is that we should agree we would participate in the same basic plan that we vote for the vast majority of our constituents. It is not about suits or what car you drive.

Mr. SPECTER. If I may say to the Senator from Minnesota, since he wanted to comment on the subject, I do not bring up items or indicia of lifestyle lightly. I bring it up because in furtherance of this amendment the Senator from Minnesota has raised the issue that the lifestyles of people in Government and out of Government ought not to be very disparate, ought not to be too different.

That is his argument. He made the argument in support of this amendment. And when he says he does not think it is appropriate that Members of Congress have benefits other people cannot partake in, we have all sorts of benefits which we buy and pay for as Members of Congress, just as all other people in America have benefits that differ based on what you can buy and pay for.

So that when you have an amendment which is grounded in the argument which the Senator from Minnesota articulates, of having lifestyles between people in Government and out of Government which are not too different, that is not immaterial, at least to me, as I evaluate the amendment.

Mr. WELLSTONE. I say to my colleague—and I think he raises a point—that part of this whole issue is that if you are making decisions about transportation but you never ride the buses or trains, or if you are making decisions about education but you never had children in public schools—not you as in the Senator from Pennsylvania but I am talking in more general terms—or if you are making decisions about low-income housing but you have never been there, I think that does become a problem.

But I would say to my colleague today so that we do not wax too philosophical, we do not legislate the prices of cars or the prices of suits, but we are going to be legislating the average premium of the baseline plan. That is the difference. That is why I offer this amendment.

Mr. SPECTER. Mr. President, we do legislate on many, many items, but I do not know that we have ever legislated to prohibit a Member of Congress, because of our specific group, a limitation on what every other citizen has the right to do by way of spending money and making choices. Let me come down to a specific question, another specific question.

That is, if I had a sense that I needed an MRI—and I recently had an MRI which disclosed a very serious problem and as a result of the MRI, I had a lifesaving medical procedure—and the doctors did not want to give me an MRI, even though I said that I wanted one, was willing to pay for it, what am I to do, or what is anyone to do if the health system, the doctors, say the symptoms do not require an MRI?

Sometimes doctors are wrong. It has been known to happen. I had a sense that I wanted an MRI. I got an MRI, and they found a substance in my head as big as a golf ball impinging on the brain, and it was removed so I could come back and debate this issue in this Chamber of the Senate, very thankfully. I knock on wood whenever I think about it.

My question to the Senator from Minnesota is, you have a medical system. The doctors say no MRI, PAUL WELLSTONE, and you think your life may be in jeopardy like ARLEN SPECTER. Should you be barred from having an MRI that you can pay for?

Mr. WELLSTONE. Let me respond to my colleague by saying I believe that actually the very important point the Senator raises is exactly why I propose this amendment. Let us make sure that in this average plan MRI's are included, and let us not make the mistake of setting an average plan that does not include something that people need so that only people with high incomes and wealthy people can opt out for it. That is precisely my point.

The Senator makes an excellent point. And that is why I introduce this amendment, to make sure that when we—as the Senator from Pennsylvania said earlier, Mr. President, we are the ones who are going to do the legislation, so let us make sure that what is included for the middle class includes MRI, for the very reason the Senator states, so that it is not just certain people because of income or wealth who say, well, that is not in it so I am going to be in another plan. That is precisely what we do not want to see happen. I know the President does not want to see that happen, the Senator from Pennsylvania does not, nor do I.

Mr. SPECTER. Mr. President, the Senator from Minnesota totally misses my point. This plan includes an MRI, the President's plan. There is no doubt that under all the plans you can have an MRI if the doctor says you can have an MRI—no doubt about that. I am not giving the Senator a hypothetical. I am giving him a real case, my case, where the doctor said no MRI.

Now, any plan which provides for an MRI is not going to give you an MRI if the doctor says no. I had a sense that I needed an MRI, and I was right. Now, if I am prepared to pay for it, why should I not have an MRI, if I think it is threatening my life? I have the money in the bank. I have earned it. Why not, I ask the Senator from Minnesota?

Mr. WELLSTONE. I would be pleased to respond to the Senator from Pennsylvania. Now I see the Senator is making a somewhat different point, or I understand it in a different way.

But I would say, once again, it gives support to this amendment because here is what you do not want to see happen.

Mr. President, part of the differential, which is what we want to avoid—as the Senator said, it is what we legislate—is if you have a really strong differential between your average premium plan, your baseline plan, or if you do not do a good job for it, the differences in the plan will not be on what is covered. It will, rather, be on the personnel, the quality of doctors and nurses, the extent to which the plan is responsive and sensitive to patients, so on and so forth. And that is precisely what we want to avoid, exactly what the Senator is talking about.

If we set this baseline plan, this average premium at the right level for the middle class to assure that you get that kind of quality care, regardless of what the package of benefits are, so that you do not run into what the Senator ran into, then that is exactly what we should do. And we can do exactly that by saying as a body what we vote for you is what we vote for ourselves.

Mr. SPECTER. I suggest to the Senator from Minnesota there is actually, positively, certainly no way to get any plan under the Sun that will be sure that the doctors will give you an MRI when you want one.

And you cannot legislate that conclusion. If an individual has an intuitive sense about an MRI, and the Senator from Minnesota talks about feeling strongly about matters, and I respect him for that, I have seen it on the floor, I do not think he feels as strongly about his point as I do about mine.

That is why I raise the question about the MRI because his last answer does not deal with the situation where the doctor says no.

The followup question I have on the same line is: I am going to need a followup MRI. That is going to happen after this plan is enacted probably. Am I going to vote for a plan which precludes the possibility that I can buy a followup MRI to see what has happened in my head if I am looking at another doctor like the doctors who said I could not have an MRI? Am I going to rely upon the doctors to determine whether to give me an MRI when we have already seen they did not recommend it even though I had the ability to spend some of my own money for an MRI?

Mr. WELLSTONE. Again, I say to the Senator, of course I cannot feel as strongly about this in a personal way because the Senator went through this. I would not ever even want to challenge the Senator from Pennsylvania on his personal feeling.

But I would say to the Senator one more time that again the import of this amendment is as follows: we want to make sure that we set this average premium base, the price, the baseline plan which is where the 80–20 contribution goes to at such a level since it is going to be the vast majority of the people, middle-class people, that someone like the Senator from Pennsylvania—an average middle-class person in Pennsylvania or Minnesota does not have that experience or who needs to have a second exam gets that second exam.

If you penny pinch it, that is what I would worry about. If you narrow it too much, then you are going to have that problem.

But if Senators say, by golly, what we are going to put together and we say is good enough for our constituents is exactly what we are going to participate in, that is one of the ways we tell people that we are going to make sure that they do not have that kind of problem. That is my point. It develops really the same point I think my colleague is making.

Mr. SPECTER. Mr. President, I have another comment or two to make. I will try to respond to the Senator from Minnesota. That is the position I have expressed on the floor of the Senate many, many times about my distress. We have not addressed the reform of the health care system in America, although finally we have gotten started as of the night before last.

I started introducing legislation on health care back in the early eighties. Stemming from my position on the Subcommittee on Labor, Health and Human Services, and Education, which I have been a member of for my 12½ years-plus in the Senate.

In 1984, when I traveled to Pittsburgh and found that African-American babies had the highest mortality of any babies in America, I came back and introduced legislation in 1985. I have had a series of bills ever since. I introduced extensive legislation in the 101st Congress; then in the 102d Congress; in the 103d Congress.

Back, I believe, on July 29, 1992, I added an amendment for health coverage to pending bills, as Senators have a right to do. The majority leader came to the floor and said the amendment does not belong on this bill.

I said, I agree that it does not. But I would be glad to withdraw it if we could get a date certain.

The majority leader said: Well, that is not practical.

I said: Well, you have given a date certain on September 8, the day after Labor Day, 1992, for product liability, why not a date certain here? I could not get a date certain. We carried the matter to a vote pretty much on party lines and it was defeated.

Then in 1993, this year, on January 21, the day after the President was inaugurated, I took the floor and complimented the President on a fine inaugural speech and expressed the thought that I would have preferred for it to have been more specific on health care. At that time, I introduced Senate bill 18 which was a comprehensive bill on health care reform, and then sought to bring that to the floor in April.

I have expressed a concern as we have gone along that it looked like in January, February, and March that we would not get to health care reform this year. There was a statement made by Chairman ROSTENKOWSKI that we will not get to it. The majority leader of the House, Mr. GEPHARDT, made a statement that it looked unlikely. Each time these statements would be made, I would make a presentation that we ought to move ahead.

When the First Lady, Hillary Clinton, came to speak to the Republicans, and then at a breakfast on the Committee on Aging—she has done an outstanding job and truly deserves the accolades she has received—I kept pressing the question about when are we going to do it? There has not been that kind of action. The time to do it, it seemed to me was early in the year last February or March before we got into the heavy legislative work in the budget and appropriations process.

It was my hope that we would have done it at that time, so we could move ahead. I hope we will stay in session in late November, perhaps after Thanksgiving, in December and January, and work on this legislation so we do not have it to do in an election year, when it is very, very difficult. I do not think it is necessary to reinvent the wheel; but we are ready to move ahead.

In the 102d Congress, the last Congress, there were some 1,500 bills on health care. I think it is possible to put a critical mass of legislation on the floor and move ahead and do it.

I suggest that the legislation which is going to come out of the Congress may well be different from what the President has proposed, maybe significantly different. If this amendment from the Senator from Minnesota is any indication, it is going to go far afield from what President Clinton has said.

There are lots of questions which I am not going to begin to get into now. How we are going to pay for it? How are you going to keep Medicare as the President wants to do, and extend prescription drugs. How are you going to do that at the same time you take $230 billion out of Medicare over 5 years?

We talk about preventive measures. Mammograms for women are indispensable; over 46,000 women a year are killed. Senator HARKIN and I have spent a lot of time trying to figure out ways we could get more research on breast and prostate cancer, one for women and one for men. The President's plan does not cover mammograms for women under 50 years of age. We know women between 35 and 50 need them. After 35 there is only one mammogram every two years. That is not enough. You need one every year.

Those are just beginning issues. You have the seven-person board. There is a question about how you get care in the hospital or the University of Pennsylvania if you are signed up in New Jersey. It is all the way across the river. The President was asked that question at a town meeting yesterday. He gave an answer that it was possible. But that is not the way I read his outline of principles. We really do not know yet because we have not seen the legislation.

You wonder why on September 24 we have not received a proposed bill yet. It sounds like the way legislative counsel treats my requests to draft legislation.

So that these are issues which were a long time in coming.

I know the Senator from Minnesota has been in the forefront on this movement. A group of Pennsylvanians came to me and talked to me shortly after Senator WELLSTONE came to this body and said: What do you think about health care? I gave them a very expansive approach, I thought: Comprehensive health care for all Americans. After I finished, they said: That is not good enough for us. We want Senator WELLSTONE's program. That is a fact. Everything I have said has been factual when I made representations to that effect. I say that is a fact as the rest of them are facts.

But I would be interested in a comment by Senator WELLSTONE, and I will yield at this point—maybe I will not yield. I may want to reply to his comment. I do not yield the floor, Mr. President, but I will yield if he cares to comment.

Earlier I sent for the vote totals of when I brought up the health care amendments. On July 29, 1992, and April 28, 1993, Senator WELLSTONE voted against me both times.

What are your views, Senator WELLSTONE, if you care to give them, as to not supporting efforts to bring the issue to the floor earlier, or on the long delays we have had, where we could have moved on this subject a long time ago?

Mr. WELLSTONE. First of all, I would like to thank the Senator from Pennsylvania for I think raising some very important points which, by the way, is the very motivation for this amendment. We want to make sure, whether it is MRI, preventive health care, or whether it is a Senator, or a divorced mother with two children, what we have said is that the baseline plan for the vast majority of people in this country is really a good plan with really sensitive care givers. What we are saying is that whatever the vast majority of our constituents have, we will participate in as well.

As to the timing of all this, I simply say to the Senator that the timing of this amendment is really right on the mark. In the last election, as my friend from Pennsylvania remembers well, a major debate was over universal health care coverage, national health insurance. President Bush—and it was his first amendment right—was less enthusiastic, and President Clinton ran very hard on it. President Clinton was elected, and we had a President who said he was going to make health care a major priority of this administration. And we crossed the divide, because now we are debating what kind of national health insurance and universal coverage.

The President, in his wisdom, asked the First Lady to head a task force, and they have done a brilliant job, where you agree with all of the proposals. This week, it was unveiled. The President gave a very moving speech about a very moving issue.

Now we are getting ready, in the Senate and House of Representatives, to tackle this issue. So I come to the floor and introduce a sense-of-the-Senate amendment that simply says it is going to be very important for us to communicate the message to our constituents that what we set as the plan for the vast majority of middle-class people who participate—because we know by economic circumstances people are not going to be able to hop up to higher and higher plans—we believe we should participate in that plan as well. I think the timing is really very consistent with where we are, and that is the why of the amendment.

I say to my colleague that he has been very gracious on the floor, and I thought long and hard about health care, as the Senator from Pennsylvania has, and I am very committed to having really good reform. I hope all of us can come together. But I guess we all have certain issues that we feel really strongly about. And one of the issues I feel strongly about is that I want us to make sure in what we do as legislators—and you were kind enough to correct me—ultimately, it is what we do working with the administration, and I

want us to make sure we do not set up a plan with many different tiers of medicine. I do not believe that is what people in this country want.

Mr. SPECTER. I thank the Senator from Minnesota for his responses. He has approached a very stimulating issue. His last response did not really go to the point of why we have not acted earlier. I do not intend to press that. There is no use talking about the past. We have to move ahead now as promptly as we can and structure a national health care system which provides comprehensive health care to all Americans and in a way which will not destroy the best health care system in the world and that does not set up a bureaucracy which makes it impossible to get that kind of health care system, or for people like ARLEN SPECTER to get MRI's when they need them.

I appreciate the responses of the Senator from Minnesota, and I know the Senator from California is seeking the floor. I think we are going to have an indepth debate on this subject. I will repeat that I am raising questions and not taking a position at this point. I want to hear the debate and see how we analyze and discuss this issue.

I yield the floor.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. BOXER. Mr. President, I have been here since—actually, the Senator from Minnesota unveiled his amendment last night. I happened to be in the chair, and I got very interested in what it really does.

The Senator from Minnesota says that he wants Members of Congress to be treated like every other American, and I agree. But that is not what his amendment does.

Two nights ago, we heard our President give what I thought was a brilliant speech, and he laid out some basic principles: security, choice, simplicity, responsibility, quality, and savings. Those were the six principles. I happen to agree with those principles.

I, like my good friend from Minnesota, and my friend from Pennsylvania, and many other Members of the Congress, will have disagreements on how to get there. But I believe everyone in this country should have to make the same choices. I want my family to be able to sit in my living room, looking over the three options that we have, and decide what is best for us. I do not think that my family should be treated in any special way.

I want us to pore over the three options that we will have under the President's plan: the HMO option, the preferred provider option, and the fee for service option. I want us to read those; I want us to see which one would offer us what we need. In our lives today, it happens that in my family, we have one person in an HMO, two people in a preferred provider plan, and one in a fee for service.

I fear that this amendment is insinuating that those people who are in a managed care plan or an HMO are not getting decent health care. I do not think that is right, because I come from a State in which many people are satisfied with the care they receive in HMO's.

I think it is a very dangerous precedent, to single out one group of people in society and treat them differently in this health plan. The point is that we are all Americans, and we should have all the same choices and go through exactly what every other ordinary American will go through as he or she makes these important decisions. I do not want to be treated differently. I want to be treated the same.

So I think if in fact the Senator from Minnesota wants us to be treated the same as every other American, he should say so in his amendment.

I ask him now if he would agree to change his amendment to say that every Member of Congress must be treated the same as every other American, no matter what the outcome of this health care debate is. I pose that question.

Mr. WELLSTONE. I would be pleased to respond.

Mrs. BOXER. I will yield for the question, and I want to make some comments.

Mr. WELLSTONE. Let me, first of all, briefly respond, if I might.

The amendment has nothing to do with my views about health maintenance organizations. Minnesota happens to be a really big managed care State, and I believe our family was charter members of Group Health here in Washington, DC.

In legislation I introduced, I think HMO's are a big part of the delivery.

So I would like to correct the Senator. This has nothing to do with my judgment about health maintenance organizations.

Mrs. BOXER. I thank the Senator.

Mr. WELLSTONE. Then I will go on. The preferred provider, health maintenance organizations, and fee for service are all options in the average premium plan?

Mrs. BOXER. Yes.

Mr. WELLSTONE. We are not taking away any choice from any Senator as to what plan they want. I do not know what the Senator's confusion is.

Mrs. BOXER. The Senator's amendment would single out Members of Congress and treat them differently. I believe that Members of Congress should be treated exactly as every other American. In fact, if I were allowed to make a second-degree amendment, I would offer one that required every Senator and every Member of Congress to make the same choices as every other American. But because of the parliamentary situation I cannot do that.

Mr. WELLSTONE. Mr. President, I say to my colleague in all due respect, because we are friends, let us focus on health care legislation and specifics. An alliance will be set up, and the average price plan, which is the 80–20 contribution, is the linchpin and the foundation of this alliance. Because we know and middle-income people know that this is the plan they are going to participate in because they are not going to have, like higher income and wealthy people, this choice you are talking about to opt into some Cadillac plan.

I would say to my colleague, if you travel around the country, if you look at the profile of income, if you look at what people are saying, the thing that they are saying to us is: Please make sure that what you said is the baseline plan for the middle class is a good plan that provides us with security.

So I say, what is the harm of Senators going on record saying we believe that what we vote as that baseline plan for the middle class of America in our States in this country is a plan that we would participate in?

Otherwise, what could very well happen is that that plan gets narrowed down and then people see Senators and Representatives opting out for other plans because it is better service, better location, better hours. And people say: That is exactly what makes us so angry about a Government that is really creating a disparity between the people who are in office and power; that is, those of us. That is all this amendment speaks to.

Mrs. BOXER. I say to the Senator, my friend, that Members of Congress should be treated the same as every other American. The Senator's amendment sets us apart.

We will be the only ones in America that will not sit down in our living room with our children, with our spouse, with our families, maybe even with our doctor, to decide what is best. No, we cannot do that.

And I say that singles us out and that defeats the purpose of the Senator's amendment.

Once again, I say the Senator ought to have an amendment that says Members of Congress should be treated the same as every other American. I want to go through that process with my family; I want to find out what is best for my family. And I want to fight for that choice for every other American.

There is no Cadillac set of benefits here. If the Senator heard the President, everyone will have the same benefits; everyone will have the same benefit package.

I yield to my colleague from Washington.

The PRESIDING OFFICER (Mr. WOFFORD). The Senator from Washington.

Mrs. MURRAY. Thank you, Mr. President, and I thank my colleagues for a lively debate. I was surprised when I came in this morning we were

debating health care on the floor of the Senate. I thought we were doing an appropriations bill.

I am always astonished when the Senate digresses to talk about itself other than about the Nation.

We are here, and I want to add my 2 cents because this amendment concerns me a great deal.

I compliment my fellow Senator from Minnesota. I understand his motivation in putting this amendment forward. I think what he is doing challenges us as a Congress to put together the absolute best health care program for everyone in this Nation, and that we will do it in a way that says if it is good enough for us, it is good enough for everybody.

I commend that motivation.

However, as the Senator from California has very explicitly stated, we will not be treated like everybody else. I listened to my President the other night, and I very clearly heard him tell us that in the program that is coming forward to us, we will have choices. I want that choice for my family. My family is different than any other family on the floor of the Senate, just like there are different families everywhere across this Nation.

I happen to be the only mother with two children here to care for. I have two roles here. I am a Senator, and I am a mother. And I want to be able to make the choice not as a Senator of the United States, but as a mother who goes home and talks to my husband and my family and does what is right. And I want choices for every family in America.

I understand the Senator's motivation, but I want to tell him that oftentimes, the motivation we have in writing an amendment or debating on the floor is very different from the language we get.

I have just read the language of this amendment, and it says to me that my family will not have this choice; my family will have to take the plan that charges no more than the average premium. That very distinctly tells me that my family will not have a choice, as every other American family will have.

I do not think that is right, and I do not think it is fair.

I agree with the Senator from California that even though the motivation may be very good, and the challenge to all of us to put together the best health care plan that is possible for everyone we represent is good, the words of this amendment do not make that happen.

I urge my colleague from Minnesota to accept the amendment of the Senator from California, and to simply say that as a Congress, when we put together the health care plan, we want to assure that every Member of this Senate and every Member of Congress will have the same health care that every other American has, and then I am more than willing to support it.

Let me yield back to the Senator from California.

Mr. WELLSTONE. Mr. President, will the Senator yield a moment?

Mrs. BOXER. I am glad to yield.

Mr. WELLSTONE. First of all, let me say to the Senator from Washington that I think some of this discussion is getting confused. There are choices of words that everybody right away latches on in politics.

This amendment does not take away the Senator's choice or the choice of any other Senator between the preferred provider plan, the health maintenance organization plan, or, for that matter, the fee for service plan. That is not what it takes away.

But there is another choice that we might be talking about here, which I think will bother the vast majority of the people in this country. That is what we might be saying if people vote against this amendment, which is: We are going to set an average price plan for middle-class people, but in setting it, we know that it will not be good enough for our families; therefore, we want to make sure we are able to opt out of it.

When you vote against this amendment, what you are saying is, that is the kind of choice you are talking about. But I have to say to you that the vast majority of people in this country, middle-class people, much less low-income people, are not going to be able to do that.

So when I hear my colleagues talk about choice, I have to say to you, in all due respect, that that is the kind of choice that those particular people in the United States of America who have the resources are able to make, but most people are not.

And I know my colleagues know that, and it pains me to hear you speak against this.

I also say to my good friend from Washington and my good friend from California, if you are worried that you want to have a choice to opt out of this average price plan—which is for the vast majority of people, as the President has made very clear because it might not be good enough—then all we have to do is make sure that it is sufficiently good enough, by way of the quality of the caregivers—that is really what we are talking about—and location and the way it operates, much less benefits, that you would never want to opt out of it. And the way we make sure of that is we go on record saying what is good enough for our constituents is good enough for us. That is the leverage. That is why we should vote for this. I think it is difficult to explain to people why we would not.

Mrs. BOXER. If I may reclaim my time.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. If the idea of the amendment is to say that Members of Congress shall be treated the same as every other American, then I am with him. But that is not what his amendment says. It sets us apart. It treats us differently.

I think our colleague from Pennsylvania made a good point when he said this amendment coming at us before we have even debated what options there will be for the families of America.

And to say that, before we have even passed the plan, certain people in the society will be treated differently—that is, Members of Congress—to me seems unwise.

I want to be treated the same as every other member in society. And I want the Senator's family to be treated the same and the Senator from Washington's children to be treated the same.

I hope Senators will oppose this amendment. Perhaps then maybe someone will offer an amendment that says all Senators will be treated in the same way as every other American—no more benefits; no less benefits; same options; no more, no less. That is what I am for.

I yield the floor.

I know the Senator from Washington wants her own time.

Mrs. MURRAY addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Thank you, Mr. President.

I thank the Senator from California for having the willingness to come out here and talk about this. All too often we come out here and debate an amendment on some kind of a feeling that we have to be so—I do not even know what the word is—important to our constituents that we are willing to bash ourselves as Senators.

This is not the time to do this. The health care debate is in front of us.

I agree with the Senator from Minnesota that the motivation is correct. But, unfortunately, motivation is not what is written down in the textbooks when we are done here. What is written down is the language of this amendment that very clearly states that Congress should enroll in a standard health care plan that charges no more than the average premium.

We do not know how the health care debate is going to come out of Congress 6 months from now or a year from now. But if it comes out in a way that I assume it will, that allows people to purchase additional insurance for mental health or dental health, we, as Congress, will have eliminated ourselves from that ability by this amendment.

I do not think that is a good thing for us to do today. I urge my colleagues to vote on this on the words that are on this piece of paper and not on the motivation or self-flagellation that we tend to get into in Congress. Let us all say that we want to put forward the best

health care plan for every single family in this country. But let us not, in some kind of self-motivation here, put ourselves aside from the rest of the country, because that is far too often what we do here.

Thank you, Mr. President.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, let me first of all just say to my colleague from Washington, whom I greatly respect, that I believe that what has been said on the floor is troubling. Because when my colleague says we do not want to deny ourselves the right to purchase better care, be it mental health or substance abuse or whatever, for our families, that is not what she intends, but that is exactly what we want to prevent. That is my point precisely.

My colleagues keep saying that we are not going to have the same options as everybody else in this country. Anybody who studied the economics of health care knows that to say—and this is completely consistent with what the President said the other night. We know that this average price plan is going to be the key to the alliance in terms of the vast majority of people being in that plan. And we know that people, middle-income people, much less working-income people, much less lower income people, the vast majority of the population will not be able, because of their incomes, to purchase yet a better plan, not so much a package of benefits but, once again, the quality of the care difference, where it is located, the whole operation of it.

And, therefore, the only thing this amendment is saying is that we have the same choice as probably 75 or 80 percent of the people we represent.

Now if we want to have the choice—let us lay the cards on the table; I have listened for a while—if we want to have the same choice as high-income, wealthier, OK, say that, because that is what we are talking about. I think it is a healthy principle.

I remember once when the Presiding Officer presiding now came to the caucus and said, "I am considering introducing an amendment that is going to say until the people in this country have national health insurance coverage we should not have free coverage." And, eventually, we ended our free coverage.

All this amendment says—and it does not require, does not require—I could not write it that way, constitutionally I could not, as a Senator, require colleagues to do that. All this amendment says is when we set that average price plan, which is going to be for the middle class of America, which is going to be so important to what happens in the alliances in our States, we should speak to this concern that people have in the United States of America, our constituents, that it is going to be a real good plan, so good that they will not want to opt out of it. And if we are not willing to go on record saying what is good for the middle class, what is good for the vast majority of our constituents is good for us, then I think people have every reason to be concerned.

Mrs. MURRAY. Will the Senator yield?

Mr. WELLSTONE. If the Senator would just wait for one moment.

As to the Congress bashing—and, again, I am with good friends, but it is worth going over. I am really tired of the arguments that are made every time I come out here on the floor or sometimes when I come out here on the floor and introduce amendments like this.

I have not given one interview nationally anywhere where I do not say that I think the denigration of public service and people in public service has gone too far and is going to lead to the decline of democracy. I do not go anywhere where I do not say, even though I am sometimes viewed as the ultimate outsider, how proud I am to be here to try to do well for people.

But I want to tell you something. The Congress bashing goes on when people think we are setting different standards. Congress bashing goes on when people think that what we are applying to them, the vast majority, we are not willing to apply to ourselves.

Mrs. MURRAY. Will the Senator from Minnesota yield?

Mr. WELLSTONE. I am pleased to yield.

Mrs. MURRAY. In that case, would the Senator from Minnesota be willing to add a line that Members of Congress will be given the same choices as all Americans when the health care plan is adopted?

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

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

Mr. CRAIG. Mr. President, I ask unanimous consent that I be allowed to proceed as in morning business for a period of 5 minutes.

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

FOREST SERVICE APPEALS SYSTEM

Mr. CRAIG. Mr. President, a year ago, a bipartisan coalition of Senators worked to reform the Forest Service appeals system. It was a system established by the Forest Service a good number of years ago to allow private parties to react to management decisions, but over time, it had been used for a variety of other purposes, largely to slow, if not stop, the timber supply in certain forests of our countries.

The appeals amendment, which I sponsored, was enacted as part of the fiscal year 1993 Interior Appropriations bill. This legislation was intended to reduce the confusion and the delay of that old process, to reduce the cost that the Forest Service was experiencing by the extension of some 1,500 outstanding appeals that the Forest Service was under consideration with.

We have made decent progress since then, but because the final regulations had not been published, although they had worked on them, I and others became very frustrated that nothing was occurring. Public comment and draft of the regulations was closed on May 29. Four months have passed with no visible action being taken by the administration to comply—let me repeat—to comply with the law.

I have become impatient with a lack of this action, and I know other Senators have contacted me saying: "Where are the new appeals regulations? Where is the new effort that we put forth?"

So Senator DASCHLE and I wrote to Assistant Secretary Jim Lyons on September 17 asking that he take immediate action to publish the final regulations by September 30. Since then, I understand Mr. Lyons has responded. He has cleared the regulations through the Department of Agriculture and on to the Office of Management and Budget. That is progress, and we thank him very much for it, but we are not there yet. Those regulations are not on the ground, and they are not implemented. I certainly would not and I am sure other Senators would not want to see OMB take months and months now to review a process that is already 4 to 5 months behind schedule.

President Clinton, in a most sincere way, went to Portland several months ago to address the spotted owl issue in a timber summit to try to resolve the timber supply problem in the Pacific Northwest. Another way he could show his sincerity to the working men and women of the forest products industry is to insist that OMB move these regulations in a timely fashion because they, the Forest Service, unable to move effectively through the appeals process, is in their own way blocking access to a timber supply that is legitimately and legally available if it were not for this process.

If the final regs are not published by September 30, Senators BYRD and NICKLES have agreed to consider adding this language to this year's Interior Appropriations bill so that this administration can get the message. I hope that does not have to happen. I hope we can move immediately to announce that

they have effectively passed through OMB and are on the ground ready to be implemented by the Forest Service.

I am counting, and I know other Senators are counting. We have 7 days left—and I say that to the administration and to the Director of OMB—before the Senate will take action again. So I hope you can respond in a timely fashion. You have worked your will, time is past, it is now time that the law be effectively implemented on the ground on our public land forests across the United States.

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. BOND. 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. BOND. Mr. President, I ask unanimous consent that I may be granted permission to speak as if in morning business for 5 minutes.

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

(The remarks of Mr. BOND pertaining to the introduction of S. 1494 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER (Ms. MOSELEY-BRAUN). The Senator from Minnesota is recognized.

Mr. WELLSTONE. Madam President, I am going to send a modified amendment to the desk in a moment.

Mr. MITCHELL. Madam President, will the Senator withhold for one moment?

Mr. WELLSTONE. Yes.

Mr. MITCHELL. 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. WELLSTONE. Madam 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. 964

Mr. WELLSTONE. Madam President, I withdraw my amendment.

The PRESIDING OFFICER. The Senator has that right.

So, the amendment (No. 964) was withdrawn.

AMENDMENT NO. 966 TO COMMITTEE AMENDMENT BEGINNING PAGE 9, LINE 23

Mr. WELLSTONE. Madam President, I send another amendment to the desk.

The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE] for himself, Mr. MITCHELL, Mr. DOLE, Mrs. BOXER, Mrs. MURRAY, Mr. HARKIN, and Mr. SPECTER, proposes an amendment numbered 966.

Mr. WELLSTONE. Madam 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:

SEC. . CONGRESSIONAL COVERAGE UNDER HEALTH CARE LEGISLATION.

(1) FINDINGS.—Congress finds:

(A) Congress is expected to consider health care reform legislation in the near future that would offer a standard benefit package with several different options for the delivery of those benefits.

(B) The standard benefits offered under all plans will be the same. Quality standards will apply to all plans.

(C) Consumers will have the ability to choose a plan on an annual basis, and will have access to full information about all plans so that they may make their choice based on the quality of plans and consumer satisfaction of plans.

(D) Members of Congress should be treated the same and afforded the same choices as every American in the health care system.

(2) SENSE OF THE CONGRESS.—It is the Sense of the Congress that any legislation approved by Congress should provide health care plans of comparable high quality and that Members of Congress participate on an equal basis with all other Americans in the health care system that results from health care reform legislation.

Mr. WELLSTONE. Madam President, the operative language of this amendment, which I offer on behalf of myself, Senator MITCHELL, Senator DOLE, Senator BOXER, Senator HARKIN, Senator SPECTER, and Senator MURRAY, reads as follows:

It is the sense of the Congress that any legislation approved by Congress should provide health care plans of comparable high quality and that Members of Congress participate on an equal basis with all other Americans in the health care system that results from health care reform legislation.

Madam President, let me very briefly summarize. Rather than continuing with the debate on choice with two different definitions of choice, I believe that this amendment brings us together around a goal that I think is extremely important and sends the right message in the country, which is: As we think about health care plans for the vast majority of the people in our country or for all the people in our country, we want to make sure that those plans are of comparable quality, whether it be a U.S. Senator, a single parent, a middle-income or working-class wage earner, a person of color, a white person, rural or urban. That is why we focus on comparable quality. We do our darn level best. We make sure we do not create tiers of plans.

I think the colleagues agree. I think it is a fine amendment. And I thank them for their support.

Mr. GRASSLEY. Mr. President, I wish to support the amendment of the Senator from Minnesota.

For some time now, as my colleagues know, I have advocated that the Congress comply with the laws we make for our fellow citizens. For too long, we have enacted laws which impose on the rest of American society rules that we in the Congress are not willing to live by.

It seems to me that we in the legislative branch will understand in a much more complete and fundamental way what the effect of our legislating is if we, ourselves, have to live under the laws we enact. Our lawmaking would certainly improve were this the case.

Now we stand on the threshold of a massive change in the health care arrangements of our citizens.

It is certainly possible that the cost of the health insurance of the currently well-insured citizen will increase under the system we finally enact.

It is certainly possible that the choices available to the currently well-insured citizen will decrease in the system we finally enact. It is certainly possible that the majority of Americans would have to deal with "gatekeepers", or "care managers" in order to gain access to health care services. These gatekeepers might be doctors or might not be doctors. Such gatekeepers might be the employees of large insurance companies, or large corporate health care plans. Such gatekeepers could be making therapeutic decisions that are influenced by corporate policy, corporate policy designed, among other things, to make sure that the financial risk faced by the health plan is minimized.

If we are going to require the majority of American citizens to live in such a health care environment, we should certainly be willing to live in such a health care environment ourselves as Members of Congress.

If we have confidence in the system we are going to create, then surely we should be willing to live as do other citizens in that system. It certainly would be the height of hypocrisy to develop such a system for our fellow citizens, but exempt ourselves from it.

So, I want to support this amendment by my colleague from Minnesota.

The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. Madam President, I have a statement I wish to make on the amendment. It is my understanding that the amendment is acceptable in its current form. I suggest that perhaps we adopt the amendment and then several of us may wish to comment on it at that time.

The PRESIDING OFFICER. Is there further debate?

Mr. SPECTER. Madam President, the amendment is acceptable to this side of the aisle.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 966) was agreed to.

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

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

The motion to lay on the table was agreed to.

ORDER OF PROCEDURE

Mr. MITCHELL. Madam President, in light of this action, for which I thank all of the participants, there will be no further rollcall votes today. Many Senators wish to observe the religious holiday and will have to leave shortly to make their planes.

The Senate will be in session on Monday, with amendments offered to this bill. Those votes will be stacked until Tuesday. There is already a prior agreement which has a vote scheduled for 2:15 Tuesday on an abortion amendment to the bill. There will be other amendments debated on Monday, and the time of the other votes on Tuesday has not yet been set.

AMENDMENT NO. 966

Mr. MITCHELL. Madam President, I begin my statement by asking the clerk to read the full text of the amendment just adopted.

The PRESIDING OFFICER. The clerk will report

The legislative clerk read as follows:

At the appropriate place, insert the following:

SEC. . CONGRESSIONAL COVERAGE UNDER HEALTH CARE LEGISLATION.

(1) Findings.—Congress finds:

(A) Congress is expected to consider health care reform legislation in the near future that would offer a standard benefit package with several different options for the delivery of those benefits.

(B) The standard benefits offered under all plans will be the same. Quality standards will apply to all plans.

(C) Consumers will have the ability to choose a plan on an annual basis, and will have access to full information about all plans so that they may make their choice based on the quality of plans and consumer satisfaction of plans.

(D) Members of Congress should be treated the same and afforded the same choices as every American in the health care system.

(2) Sense of the Congress—It is the Sense of the Congress that any legislation approved by Congress should provide health care plans of comaparable high quality and that Members of Congress participate on an equal basis with all other Americans in the health care system that results from health care reform legislation.

Mr. MITCHELL. Madam President, I thank Senator WELLSTONE, Senator BOXER, Senator MURRAY, Senator SPECTER, Senator DOLE, and all others who have participated in the preparation of this amendment. I would like to make some comments, in light of the debate that preceded the adoption of this amendment.

First, I wish to make clear that the explicit publicly stated and written intention of the President's plan is that all Members of Congress should participate in the health care system in the same manner as will all other Americans after that plan is adopted. There should be no misunderstanding about that, based upon the previous amendment which was subsequently withdrawn and the debate which surrounded that amendment.

The President's plan clearly contemplates that every one of us will be participants in the health care system in the same way that every other American is, with the same choices available to us as are available to all other Americans. We will be part of a regional health alliance and every member of that alliance—some of them will number in the millions of citizens—will get exactly the same documents, have exactly the same choices.

Second, it should be clear that when that plan is adopted, if adopted, as I hope it will be, all of the benefit packages will be the same. The delivery system will be different. Individuals, whether they are Members of Congress or carpenters or schoolteachers or lawyers or anything else, will have the same choices. There will be very tight and substantial quality protections written into the legislation to protect consumers, whatever plan they choose to participate in. No American will be asked to participate in a health plan that is inferior in quality, that is a lower quality plan.

To help consumers make the choices that are best for them, there will be analyses—report cards, if you will—on plans to show the quality of the plans and to measure the satisfaction by consumers. Members of the public will regularly be offered the opportunity to review reports on how the plans are doing to help them make the right choices. Consumers will have the opportunity to change plans on an annual basis during a so-called open season.

All Federal employees who now participate in the Federal Employees Health Benefits Program understand how that works. Each year, a booklet is distributed to every employee. It describes the plans that are available. The individual makes the choice. If the individual does not like the plan or is persuaded by information or written reports or word of mouth or any other reason, he or she can change the plan the next year. That will be available.

Quality of care is essential to our health care system and will be ensured. This plan will substantially increase the efforts to study the effectiveness of medical treatment, to develop practice guidelines to help physicians provide better and more effective treatment, and to help consumers make better and more informed choices.

I do not believe that Members of Congress should be treated any differently than any other American—neither better, nor worse; not have greater choices, not have lesser choices; not have better plans, not have lesser plans.

The essence of the President's plan is that everyone is going to have the same opportunities and the same choices. And that should apply to Members of Congress, as well as our families, as well as every other American and every other American family. That principle underlies the plan.

Madam President, I want to commend all who participated in this debate. It points up to us the magnitude and the importance of the task we confront in writing health care legislation.

Oftentimes Americans cannot see much of a connection between what we are doing and their daily lives and their daily problems. But on health care, every American and every American family understands that immediate relevance to their daily lives, because every one of them confronts uncertainty, anxiety and, in many cases, fear over the costs and consequences of health care.

So I hope out of this will come a better understanding on the part of Members of Congress and all Americans on the need for high-quality care and the need for everyone to have the same opportunities, the same quality, and the same choices.

Madam President, I thank all of my colleagues for their cooperation, and I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania, the minority manager.

Mr. SPECTER. Madam President, I shall be very brief. I know Senator BOXER is seeking the floor, as well.

I associate myself with the remarks that the distinguished majority leader has made.

The critical aspect of the amendment which has just been adopted is a statement of Congress that we will have the highest quality medical care possible and that Members of Congress will be treated equally with every other American.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Madam President, I thank all who participated in this debate. I thank the Senator from Minnesota. I thank the majority leader. I thank my friend from Pennsylvania and my friend from Washington, who added a very personal perspective to the debate, as she always does.

I am very proud of this amendment as it has been adopted because it is very clear in what brings us together. We will have plenty of time to disagree as we move forward. But we have been brought together this morning, after some debate, on the issue of quality for all Americans. We have made sure that every American will have the same

choices, be they Members of Congress, builders of houses, teachers, sanitation workers, or unemployed.

That is why I am very proud to be on this amendment as a cosponsor. I think that in the end we came around to the principle of equality for all Americans.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Madam President, I add my voice and thanks to my colleagues in working out this amendment. I, too, am proud to be on it because I think it sets out clearly for us the challenge the Senator from Minnesota wanted to set out and that is that we provide the best quality health care program available as we work through this tremendous challenge before us in health care reform.

This amendment does exactly that. It says the Members of Congress will not be treated differently than any other American.

I look forward to the health care debate as we move forward.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. I will be very brief in closing. I thank my colleagues. I do think it was an important debate and I believe the operative language is the focus on comparable, high quality care for all citizens.

I am delighted we have gone on record as the U.S. Senate. That means a great deal to me, as a Senator from Minnesota, because this way I think we make sure we do not have these tiers and we have the same kind of high quality care for all citizens. I believe that is the step we have taken today.

Now what we have to do is get to work and make sure we make this happen and live up to our word, live up to our commitment.

I thank everyone who was involved in this debate.

The PRESIDING OFFICER. Does anyone seek recognition?

The pending business before the Senate is the first excepted committee amendment as amended.

The Senator from Iowa is recognized.

Mr. HARKIN. I ask unanimous consent the pending excepted committee amendments be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered. All of the excepted committee amendments are laid aside and the Senator's remarks are taken with regard to the underlying amendment.

AMENDMENT NO. 967

(Purpose: To limit the amount of funding that may be made available for health centers malpractice claims)

Mr. HARKIN. Madam 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. HARKIN] proposes an amendment numbered 967.

Mr. HARKIN. 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:

On page 20, line 15, before the word "*Provided*," insert the following: "*Provided further*, That no more than $5,000,000 is available for carrying out the provisions of Public Law 102-501:".

Mr. HARKIN. Madam President, this amendment limits the amount of funding that may be made available for health centers malpractice claims under Public Law 102-501 to $5 million. In fiscal year 1993, $1 million was transferred to the Department of Justice for the Health Centers Malpractice Claims Fund. This transfer was made without requesting transfer authority from the committee.

Further, not one community health center has been certified for insurance coverage under the Federal Tort Claims Act which is administered by the Department of Justice. It was not the intent of Congress to allow the Department of Justice to have unlimited access to community health center funding, thus reducing the moneys available to provide services.

This amendment will limit the amount of moneys available for transfer and has support of the authorizing committee. I believe it has been cleared on the other side. I urge its adoption.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. Madam President, the amendment is acceptable to this side of the aisle.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 967) was agreed to.

Mr. HARKIN. Madam President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. HARKIN. Madam President, have all the amendments been set aside, the excepted amendments?

The PRESIDING OFFICER. The Senator is correct.

Without objection, the committee amendments are laid aside.

AMENDMENT NO. 968

(Purpose: To make technical corrections to citation of Higher Education program)

Mr. HARKIN. Madam 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. HARKIN] proposes an amendment numbered 968.

Mr. HARKIN. 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:

On page 55, line 5, strike "and" and all through "part B" on line 6 and insert in lieu thereof: ", subpart 1 of part B and part D".

Mr. HARKIN. Madam President, this amendment would simply make a technical change by restoring the citation for a higher education program that was inadvertently omitted from the bill. It has to do with the Eisenhower Leadership Program. The amendment has been agreed to by both sides. I urge its adoption.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. It is acceptable to this side of the aisle.

THE PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 968) was agreed to.

Mr. HARKIN. Madam President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

STATEMENT ON LABOR, HEALTH, AND EDUCATION APPROPRIATIONS BILL

Mr. SASSER. Madam President, the Senate Budget Committee has examined H.R. 2518, the Labor, Health and Human Services, Education, and related agencies appropriations bill as passed by the full Appropriations Committee and has found that the bill meets its 602(b) budget authority allocation by $201 million.

I compliment the distinguished manager of the bill, Senator HARKIN, and the distinguished ranking member of the Labor, Health and Human Services, and Education Subcommittee Senator SPECTER on all of their excellent work. With so many of the administration's highest priority investments in their subcommittee's jurisdiction, they did, as Senator HARKIN has said, "Fit a size 12 foot in a size 10 shoe."

Madam President, I have a table prepared by the Budget Committee which shows the official scoring of the Labor, Health and Human Services, Education, and related agencies appropriations bill and I ask unanimous consent that it be printed in the RECORD at the appropriate point.

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

SENATE BUDGET COMMITTEES SCORING OF H.R. 2518—FISCAL YEAR 1994 LABOR/HHS/EDUCATION APPROPRIATIONS

[In millions of dollars]

Bill summary	Budget authority	Outlays
Discretionary total:		
New spending in bill	65,317	—0

SENATE BUDGET COMMITTEES SCORING OF H.R. 2518—FISCAL YEAR 1994 LABOR/HHS/EDUCATION APPROPRIATIONS—Continued

[In millions of dollars]

Bill summary	Budget authority	Outlays
Outlays from prior years appropriations		36,590
Permanent/advance appropriations	1,716	1,572
Supplementals	0	0
Subtotal, discretionary spending	67,033	68,089
Mandatory total	196,167	195,357
Bill total	263,200	263,446
Senate 602(b) allocation	263,200	263,647
Difference	0	−201
Discretionary total above (+) or below (−)		
President's request	−5521	−1290
House—passed bill	50	963
Senate—reported bill		
Senate—passed bill		

MINIMUM FULL TIME EMPLOYEE STAFFING LEVELS

Mr. McCAIN. Madam President, the Department of Labor, Health and Human Services, and Education appropriation bill before the Senate establishes minimum staffing levels for these agencies. I strongly object to this kind of micromanagement and believe it causes inefficiency in Federal agencies and results in a waste of taxpayer dollars.

I applaud the managers of the bill, Senator BYRD and Senator HATFIELD, for taking action to eliminate FTE minimum floors in this legislation. I had intended to take similar action had they not.

The Vice President in "Creating a Government That Works Better and Costs Less," the report of the national performance review, stated:

Congress should also minimize the restrictions and earmarks that it imposes on agencies. With virtually all federal spending under scrutiny for future cuts, Congress is increasingly applying earmarks to ensure that funding flows to favored programs and home town projects.

Imagine the surprise of Interior Secretary Bruce Babbitt, who a few months after taking office discovers that he was under orders from Congress to maintain 23 positions in Wilkes-Barre, Pennsylvania, field office of his department's anthracite reclamation program. Or that his department was required to spend $100,000 to train beagles in Hawaii to sniff out brown tree snakes. Edward Derwinski, former secretary of Veterans Affairs, was once summoned before the Texas congressional delegation to explain his plan to eliminate 38 jobs in that state.

Madam President, if we want Federal agencies to operate in an efficient fashion we cannot congressionally micromanage those agencies.

On page 18, the bill before us states:

SEC. 102. Notwithstanding any other provision of law, funds provided to the Department of Labor under this Act shall be expended to support no fewer than an annual full time equivalent level of 17,658 for fiscal year 1994.

On page 44:

SEC. 209 * * * funds provided to the Department of Health and Human Services under this Act shall be expended to support no fewer than an annual full time equivalent level of 103,062 for fiscal year 1994.

And on page 62:

SEC. 305 * * * funds provided to the Department of Education under this Act shall be expended to support no fewer than an annual full time equivalent level of 4,836 for fiscal year 1994.

Madam President, could you imagine any company in America mandating that on no condition could that company employ less than a certain number of employees. This kind of congressional restriction defies both logic and good business sense.

By preventing these FTE floors from being adopted in this bill, we are in no way jeopardizing the jobs of Federal employees. Let me make that point clear. No Federal employee will necessarily lose his or her job by this action.

The President, with the support of Federal employee unions has proposed a plan to reduce the number of Federal employees. It is the President's plan that will dictate if any Federal job is eliminated.

I believe we should support the President in his efforts to curb the size of the Federal work force. I am attempting to give the President and the Department Secretaries that freedom. The FTE floors in the bill act to do the opposite; to unduly tie the President's hands.

These FTE floors are not needed to ensure that the Departments of Labor, Health and Human Services, and Education operate in the public's best interest. Each of these agencies has an important mission and does much good work. I applaud these agencies. But I believe that these agencies can and will perform their jobs without the Congress mandating how many individuals—at minimum—they must employ.

Allow me to quote the Vice President again:

In Washington, we must work together to untangle the knots of red tape that prevent government from serving the American people well. We must give cabinet secretaries, program directors and line managers much greater authority to pursue their real purposes.

The Vice President has called for 252,000 positions to be eliminated in the Federal civilian work force, a reduction of almost 12 percent and bringing it below 2 million for the first time since 1966.

Yet in this bill, we are mandating that a minimum of 125,556 positions in three agencies be maintained, allowing the President and the Cabinet Secretaries absolutely no discretion.

Madam President, this is wrong. It is wasteful. And it is unnecessary micromanagement.

The Vice President is correct when he stated: "eliminate FTE floors."

Lastly, I want to notify the Senate that in the near future I intend to offer legislation that will eliminate all civilian FTE minimum staffing levels. I would hope that at that time the Senate would adopt the legislation and permanently end this unnecessary congressional micromanagement.

I yield the floor.

FACES OF THE HEALTH CARE CRISIS

Mr. RIEGLE. Madam President, for over a year now I have been telling the story of a Michigan family, individual, business, or institution facing a problem because of the health care crisis in America each week the Senate has been in session. I have told over 30 such stories. Today I want to talk about how some of these people will be helped under the plan proposed by President Clinton. One of the most important ways I will judge the Clinton plan is by how it helps these people and others like them.

PEOPLE WITH DISABLING CONDITION

Kim Cameron from Lapeer has Crohn's disease and trouble finding affordable coverage because insurers can exclude people with health conditions from insurance plans. She delayed care because she was uninsured. The new plan would guarantee her a comprehensive set of health benefits and it would be subsidized based on her ability to pay.

SMALL BUSINESSES

Linda Jolicoeur from Southfield is a small business owner and provides insurance but her premiums are skyrocketing. It is too expensive for small businesses to purchase coverage. Under Clinton's plan, her business will get lower rates as part of the new purchasing pools and premium costs will be controlled.

SELF-EMPLOYED PEOPLE

Laura Kinbaum from Grand Rapids is a freelance medical writer who must support her daughter and disabled husband. Since she purchases health insurance on her own, without being part of a group, the cost is prohibitive. Under the Clinton plan, she will be able to join a purchasing pool and buy health insurance at the more affordable group rate. In addition, under the reformed system she could deduct 100 percent of the insurance costs, whereas currently she can only deduct 25 percent.

RETIREES

John Demerjian from Sterling Heights retired at age 63, before he was eligible for Medicare. He thought his company would cover his health benefits but the company raised the premiums making it difficult to afford the coverage. Under the Clinton plan, John would be covered through a health alliance, with the Government paying the employer's share of the premium, 80 percent of the premium costs.

I continue to hear stories of people who need help. Recently I met with Terri Nelson of Grand Rapids. Terri wants to work but does not because she is afraid of losing her Medicaid and Medicare coverage and she cannot find affordable coverage because of a pre-existing condition. Terri received a heart transplant in 1987 and requires expensive medications to survive. Her yearly

medical expenses are over $20,000 so she can not afford to be uninsured. Under the Clinton plan, Terri could work and be guaranteed coverage through her employer, even with her pre-existing condition.

We urgently need to reform our health care system to help people like Kim Cameron, Linda Jolicoeur, Laura Kinbaum, John Demerjian, Terri Nelson, and all the other people who struggle under the current system and sacrifice their peace of mind. We also need to reform the system to help those who are doing well but may face a health care crisis in the future. I will do everything I can to work with my colleagues and President Clinton and First Lady Hillary Rodham Clinton to reform our system and provide access to affordable health care for all Americans.

Mr. HARKIN. Madam 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. HARKIN. Madam 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. HARKIN. Madam President, I ask unanimous consent that there now be a period for morning business with Senators permitted to speak therein.

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

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

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

ORDER OF BUSINESS

Mr. HARKIN. Madam President, for the benefit of Senators who are preparing to go to their respective States for the weekend and for staffs who may be watching this on their television sets, as chairman of the Subcommittee on Labor, Health and Human Services, and Education Appropriations, I want to make it clear that we will be here Monday. We will be debating amendments on Monday.

The majority leader, I think, will shortly propound a unanimous-consent request to that extent, and I think it has been cleared on the other side, so we will be debating on Monday. There will be votes on Tuesday, of course. They will be stacked on Tuesday.

I want to make it clear to all interested Senators that I am working with the majority leader to propound a unanimous-consent request on Monday that would delineate all of the amendments that Senators want to offer, hopefully with time agreements, so that we can finish the bill sometime late Tuesday after the respective party caucuses.

So I hope that Senators and their staffs will prepare those amendments and get them ready by Monday so that sometime Monday, we can sit down and draw up a list of all the amendments that are proposed to be offered to this bill. We can set up some time agreements, and we can bring this bill to a close, hopefully, sometime by late Tuesday.

Again, I respectfully request Senators and their staffs to get those amendments to us no later than Monday. If they can do it today, I would appreciate it. But certainly no later than Monday, so we can draw up the list and propound that unanimous-consent request on Monday so we can finish the bill on Tuesday.

I thank the Chair, and I again suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

TRIBUTE TO DR. EDWARD ELSON

Mr. DOLE. Mr. President, along with all the Members of this body who were privileged to know him, I was saddened this August by the passing of the Reverend Dr. Edward Elson, who served as Senate Chaplain from 1969 to 1981.

Dr. Elson's service to God and country extended far beyond his years as Senate Chaplain. During World War II, he left his parish ministry here in the United States and served courageously as an Army Chaplain in Europe, eventually rising to become the senior chaplain.

When the war was won, Dr. Elson returned to Washington, DC, where he would serve for 27 years as pastor of the National Presbyterian Church. It was from the pulpit of this historic church where Dr. Elson would become a noted author and lecturer, and a confidant of America's leaders—including President Eisenhower, who was baptized by Dr. Elson during his Presidency.

Ike was just one of many people—the famous and the not famous—who came to rely on Dr. Elson's wisdom, guidance, and friendship. Elizabeth and I consider ourselves very privileged to have had this remarkable man preside over our wedding ceremony in 1975.

Madam President, Dr. Elson's funeral services were held at the National Presbyterian Church on September 1. While I was unable to attend, I have read a number of the very moving eulogies that were offered at that time.

I believe it would be an appropriate tribute to our former chaplain if these eulogies were printed in the CONGRESSIONAL RECORD following my remarks.

And I join with all my colleagues in extending our sympathies to Dr. Elson's wife, Helen, and their children, Elie, Beverly, Mary Faith, and David.

Madam President, I ask unanimous consent that the eulogies be printed in the RECORD.

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

FUNERAL OF THE REVEREND DR. EDWARD L.R. ELSON, SEPTEMBER 1, 1993

(Homily given by Rev. Dr. M. Craig Barnes, National Presbyterian Church)

Whenever one pastor is asked to officiate at the funeral of another, it is something quite special. When that pastor is asked to bury the man who built his church, who gave it a National reputation, who poured 27 years of his life into loving it, well, that is an incredible honor.

I am honored to wear Dr. Elson's mantle of ministry. I am honored to care for the church he built. But most of all, I am honored to have inherited his great passion for the gospel of Jesus Christ.

"I am not ashamed of the gospel of the Jesus Christ, for it is the power of God unto salvation to everyone that believeth." Those were the words of the Apostle Paul. They were frequently the words of The Reverend Dr. Edward Elson.

If he were here with us today, and of course he is, he would make it very clear that those were to be his last words. I can tell you with great certainty because he left behind instructions for the new Senior pastor that told me exactly what to make clear to you.

The last thing he wanted to make sure you remembered about him was not that he was a decorated soldier, the counselor of presidents and senators, the pastor of the National Presbyterian Church. Certainly those things were very important to him, but mostly, he wanted you to remember he was not ashamed of the gospel of Jesus Christ.

Why did he serve soldiers in foreign wars so bravely? Why did he work so hard for 27 years to build this church? Why did he become the pastor to so many of our nations leaders? Why even did he marry his incredible wife, Helen and with her build a loving home for Eleanor, Beverly, Mary Faith and David?

Something has to drive a man with those accomplishments. Something has to burn within his heart. It doesn't matter if it is 1946 or 1993, if you are going to stand in our world as a man of vision and builder of churches, if you are going to be the confidant, not only of our own leaders, but leaders of the Middle East and hardest of all, if you are going to be a family man . . . You had better know about the power of salvation!

You had better really believe in a gospel that proclaims the mercy and compassion, vision and hope that is found when you believe God so loved the world that in Jesus Christ, he came looking for us.

Dr. Edward Elson believed in that great gospel. He was not ashamed of it. He gave his life to it. And through his life, God gave the world a man of hope.

Our world can still use all the men and women of hope we can find. This pastor has served the gospel well. He has now lifted his eyes from death to be received into the arms of the God with whom he walked all his years. But his gospel lives on.

It must not find its home in the hearts of we who remain and who receive a great legacy from the faithfulness of the saints who have gone before us.

For the Memory of Edward Elson. For the passion of our hearts. For the hope of the world, let us too proclaim, "I, I, am not ashamed of the Gospel of Christ."

AFFIRMATION OF DR. EDWARD L.R. ELSON'S MINISTRY

(By Rev. Campbell Gillon, Chaplain, the Saint Andrew's Society)

I first heard Dr. Elson pray at the grave of the Scottish founder of the Saint Andrew's Society. Each year in December at the end of the Scottish Walk in Alexandria—a city founded by the Scots as is Georgetown—the chaplain offers prayer and a wreath is laid on the grave of William Hunter who founded the Society in 1760.

With a certain appropriate brogue Dr. Elson would give thanks for an organization whose motto is Relieve the Distressed, and whose objectives are charitable and educational assistance to Scots as well as perpetuating Scottish tradition and culture.

There are only 5 million Scots in Scotland, but their descendants scattered across the globe, number some 25 million.

Edward Elson shared that heritage. For the grandfather of his mother, Pearl Eadie, was a native-born Scot. Ed was proud of his roots and joined the Saint Andrew's Society in 1952 the year after he had written: "No man begins from "scratch." No man is really self-made. Every man inherits what other have made for him * * *. The new generation receives a legacy from the past, but it also assumes a duty to the future * * *."

So it was for him. In 1977 he became the Society's chaplain, involved in its functions and organizing annually the Kirkin' of the Tartan Service in National Cathedral. As Ed had received, so he gave, generously.

The emblem of the Society is the diagonal cross of Saint Andrew, the disciple who was both welcomer and introducer of strangers to Jesus.

Ed and Helen Elson played a welcoming role to my wife and me when in 1980 we arrived as new immigrants. Graciously they welcomed us to their home and by word and action made two resident aliens feel a lot less alien. At Ed's prompting, the Society in due course made me their Chaplain, which is why I have this privilege today.

The Elson's worshipped at Georgetown Presbyterian Church for my first Communion Service in June 1980. I do not think it was coincidence that I was asked to give the invocation at the Scottish Virginia games in Alexandria the next month.

It seemed to me a little strange that here were all these people in the heat of summer, heavily clad in kilts, tossing cabers and otherwise strenuously engaged! Why were they doing all this? Surely it was because they were thinking of a little land 3000 miles away—Scotland Afar!

I then recited some lines to which I have added another verse for today. As we think of Edward Elson, we give God thanks for his life, his roots and his goal.

SCOTLAND AFAR

Afar, O fair Scotland, we hear your pipes calling!
Afar, the Old Country, your beauty beguiles!
The mist on your mountains, when evening is failing
Envelopes my heart-land across the long miles.

Afar in some desert, remote on some island,
Away in some city pursuing dill schemes,
There's hope for the soul whose hear is still highland,
Who glimpses the loch and the moor in his dreams.

O where are your highlands, your uplifting mountain,
That rescues the spirit like Scotland the brave;
Those streams that refresh like a soul-quenching fountain
And save us from being a fool or a knave?

Scotland Afar! Your sons' and your daughters'
Descendants remember the rock whence they came
And tugs at the heart across the vast waters,
The ancestral home and the old Scottish name.

Away then with sadness, all heart-aching longing,
For scenes of the past, evanescent as wraith!
The Lord is my Shepherd who brings new hopes dawning—
A Homeland eternal; and joy born of faith.—
CAMPBELL GILLON, 1980.

FUNERAL SERVICE OF EDWARD L.R. ELSON, THE CONGRESSIONAL MINISTRY

(By Rev. James D. Ford)

Helen, members and friends of the Elson family,

When we give a distinguished award, we often call it the Pro Deo et Patria Award—for God and Country. Edward Elson won that award again and again. I know clergy from many denominations who have given distinguished service for God and country, but few clergy I know have made as magnificent a benefaction as did Edward.

Some years back Dr. Elson was honored by the chaplains for his lifetime of service—and how appropriate, I should say, to have the Army Chorus sing at this service today—nothing would have pleased Edward more. It was my pleasant task to introduce Dr. Elson at the dinner at which he was honored, and I pointed out in my introduction the many ways he could be introduced. He was properly called Doctor, Pastor, Reverend, Minister, (He could be called "Honorable" because he was an elected representative of the Congress) and he could be called "chaplain."

When it was time for Edward to speak, he said that he thought he liked the title "chaplain" the best, because he had so enjoyed the responsibilities that the title suggested.

Like other volunteers of the time, he left the parish ministry and served with great distinction as an Army Chaplain in Europe, rising to become the senior chaplain. Then after a celebrated service here at the National Church, he again claimed the title "chaplain" and became the chaplain of the United States Senate.

Before becoming chaplain of the House of Representatives 15 years ago, I was the Cadet Chaplain at West Point. My tie with the Elsons began when they would visit the Military Academy over 30 years ago and Dr. Elson would give inspiring sermons to the Corps of Cadets. It was during those visits that Marcy and I got to know and appreciate the wisdom and insight that was Edwards. Another personal tie that had a great effect on my life was when Dr. Elson, unknown to me, mentioned my name to Congressman George Mahon, the Chairman of the Search Committee for a new chaplain in the House of Representatives, which culminated in my election.

As chaplain of the Senate, Dr. Elson was primarily known for the public prayers at the beginning of each session and copies of those prayers have been printed and read all across the nation. But much of his ministry was the private discussions that he had with Senators and staff who sought his counsel and advice. I am certain that were the substance of those conversations known, they would ring with sound theology, practical advice, all emanating from a caring and mature faith.

Edward Elson had the characteristics one would hope would be held by a minister with his responsibilities—maturity, caring, vision, communication, a nurturing heart—faith, hope, love. But his faith was also sustained by a brilliant mind that could relate to the various traditions of theology, and a mind that was current with the concerns of the world. His expressions of faith were never retelling of old words, but the faith was seen in the context of today's problems and concerns. Those of us who were the beneficiaries of that wonderful mind, are grateful for his gift.

Pro Deo et Patria, for God and Country. Edward Elson's parish was as big and wide as his heart and we rejoice that his gifts were shared with all.

I conclude my remarks by reading from one of Edward's prayers, given in the Senate on September 12, 1972:

"We beseech Thee, O Lord, so to dispose our hearts that we may distribute the revenue of the mind and heart, the lofty idealism of the Founding Fathers, a new sense of national purpose, and a common dedication to truth, to justice and to brotherhood.

"Show us that we must first be our brother's brother before we can become our brother's keeper. Replace all covetousness and jealousy with trust and love. Draw all citizens together in the comradeship of patriots, in the fellowship of the Spirit, and in the bonds of peace.

"In the Redeemer's name, we pray, Amen."

FUNERAL SERVICE OF EDWARD L.R. ELSON, THE NATIONAL PRESBYTERIAN CHURCH

(By Chaplain Richard Carr)

Mrs. Elson, family and friends. I am honored to share these remarks of tribute for Dr. Edward Elson, celebrating his life and ministry, especially at this church for 27 years, from 1946 to 1973. It is also very significant that his pastorate here parallel a remarkable process of history, both nationally and religiously.

A moment to review history is very appropriate. The Nation's Capitol, into which the Elson family arrived in 1946 after a long and well remembered train trip across country from California, would be unrecognized today. It was a city of racial segregation, a city of high unemployment after the reduction-in-force of thousands of World War II workers in US government jobs, a city of the beginning of the flight to the suburbs, a city that had its own baseball team, a city that was not yet a world capitol, a city of great churches and preachers like New York Avenue Presbyterian and Peter Marshall—yet a city beginning a search for new paradigms of ministry and vision and leaders, both in the church and in the nation.

Into this cultural, social, political and religious hodge-podge, came a man of vision, creativity and commitment to his God and

his church. Ed Elson wore a motto of "where there is no vision, the people perish", applying this to both church and community and nation, always through the eyes and heart of a pastor. One of his many popular books was entitled, "Wide was His Parish", emphasizing the diversity of his involvement with people at every level of society and standing, ever living the life of a pastor. Again, one of the great honors of my career was to be a part of the 50th year or ordination celebration from Dr. Elson in 1980, and remembering vividly his counsel to me of "nothing is more important nor has a higher priority than the parish ministry, that it is in the parish that God's work and the teaching of God's Word will be most effectively and faithfully accomplished." What a magnificient self-tribute for a man's commitment to Christ and His Church after 50 years of ministry!!

What a challenge for a changing church in a changing community. Ed Elson had the unusual ability and insight to combine the vision of expanding ministry of an-almost inner-city church, a few blocks south of Dupont Circle throughout the neighborhood, touching all people for all aspects of the service of the church; stretching boundaries and attracting new people in the midst of change, meeting changing needs and changing environments.

Through all the dramatic varieties of church and community duties, Ed Elson never lost his vision of raising the visibility and impact of the Presbyterian Church beyond its borders in Washington to a national and international level, a local church, the National Presbyterian Church, that could play the role of inner-city, suburban and total community Presbyterians world-wide. Thus, with much political negotiation and consensus building, much net-working for funds, support, planning, organizing, praying—especially praying, mobilizing talents like Reggie Harmon (whose life and missions were celebrated here a few months ago), others like Paul Carr with Reggie and others too numerous to mention lived and breathed the arduous times of building this church, of Lowell Ditzen, the National Presbyterian Centers parent and first director.

These activities would normally keep an ordinary person busy for a lifetime, yet Ed Elson also believed in building people as well as buildings, and programs such as the Sunday Evening Club, birthed in the aftermath of World War II in this church, nurtured by dedicated servants like Dr. Tom Stone—plus a myriad of others that met the needs of the people of the church and the community for 27 years.

What else can be said of this man who was counselor to presidents, walked with the great of the world, both religious and secular—perhaps comments about his day-to-day involvement with the church structure and organization; his strong leadership and patience in being part of the endless meetings and councils of the church and its governing bodies—no, there is one little known side of Ed Elson that I personally experienced while serving as interim pastor of Annandale Presbyterian Church in late 1967 to September 1968.

Do you remember the chaos and turbulence that followed the death of Dr. Martin Luther King in March of 1968? Do you remember "Resurrection City", that national expression of grief and recognition of Black Americans on the Mall? Did you know that throughout the Washington Metro Area, churches were on the verge of division because of the variety of opinions in congregations on supporting the effort, even to allowing visitors throughout America to use church facilities for sleeping, eating and providing transporting delegates to the Mall? And did you know that the Capitol Union Presbytery was not exempt from this potentially dangerous and divisive process?

I sat in the meeting when the debate turned ugly and in my opinion very unchristian. The senior pastor of the National Presbyterian Church issued a statement that I paraphrase, "Of all times that we as Christians should recognize and practice the virtues of equality in every form, that time is now!!" And then, he shared this story—"At a communion service in St. Pauls Episcopal Church where he served on the vestry, Chief Justice Hughes observed a Negro janitor, an elderly Christian saint with long years of service to the church, was abruptly turned away from the altar for communion. Justice Hughes knelt at the altar with his friend and shared the sacrament from the priest saying loudly for all to hear, "we all belong here as brothers and sisters, because the ground at the foot of the Cross is level".

Brothers and Sisters in Christ . . . our discipleship and evangelism and the truth of our faith is judged by the acts of love we express here today in behalf of all of God's people . . . What greater tribute can I give then to this man who was the pastor of this church, with all the recognition and honor that came his way, who was not only a man of history, but a man for all the people—a pastor for all.

FUNERAL SERVICE OF EDWARD L.R. ELSON

(Family remarks given by David Edward Elson)

My father was career oriented in a profession that demanded his time and attention almost all day, seven days a week. Yet he was highly conscious of these demands and made certain that he gave time he didn't have and the full measure of his spirit to family life.

My mother would hold up dinner for the family at his insistence because he knew how important it was for the family to be together—at the beautiful manse in Wesley Heights so generously provided by this church.

He took time off on weekends to take me to sporting events, occasionally even leaving church early on Sunday, his most important day to take me to the Redskins game.

He took even more time off to take me on trips to see his hometown in Pennsylvania, or to visit historical sites.

Generosity, as Jesus said, is measured not in how much you give, but in how much you give in relation to how much you have. My father didn't make a large salary and his career made huge demands on his time. Yet he gave all his material resources and more time than he really had to his family.

He gave countless lectures and spent summer vacations writing books to put us through school.

Most valuable of all was the house in Nova Scotia he provided through his writing and the summers we had there as a family. This gave us time together and provided a sense of security and tranquility for all of us. Because the house in Washington was a manse, provided by the church, the Nova Scotia house was our true family home.

Every family has its own dynamics and our family tends to be more a collection of individuals rather than a unit. Yet the bond is subtle and strong and comes from our parents. Although my father wasn't always demonstrative in his affections, the love of his family was always present and felt by all of us. In the group of strong minded individuals that is our family there were many debates and differences of opinion. However, there was hardly an argument, never a fight.

Although I myself had many differences with my father as I was growing up, we never exchanged a harsh word.

As the years went by, through all these differences, we grew as individuals, broadened our perspective, became more tolerant, and came to accept each other as we are.

We have been and are a family in harmony and have grown as individuals and all this we owe to the sacrifices and love our father gave to all of us.

FUNERAL SERVICE OF EDWARD L.R. ELSON

(Family remarks given by Eleanor Elson Heginbotham)

A Scot who ministered splendidly in Gaelic to the small churches of Cape Breton died some ten years ago. Edward Elson spoke in the tiny church adjoining our Little Narrow house, detailing the faithfulness, the discipline, the joy in service of Dr. MacKinnin. I thought then that too many of my father's friends were preceding him, that there would be no one left to honor him as he could so eloquently honor others. I was wrong. The Elsons who remain are greatly comforted by the tribute of this congregation.

There are a few people here who knew Edward Elson most of his life: his brothers and sister, of whom he was so proud: Noble McCartney, son of Edward's great predecessor, who also, as a small boy, knew my father in California; Dr. Elizabeth Stone, who knew my parents in their courting days and whose husband is honored in Stone Hall downstairs for his powerful collaborative ministry with my father; and others—old friends from every part of the life of this energetic, curious, wide-ranging man we knew as Daddy.

My brother and I speak for those who knew him best: for my mother, he was quite simply her whole life, and their mutual devotion was a high ideal for us. For the four of us he was funny, firm, generous with advice, helpful, self-sacrificing, and always, always kind. In his spinning life of churchly and public responsibilities he made time to take long summer walks with us, one-on-one, to intercede for us, to speak at our graduations, to perform our marriages. For his grandchildren, he was the genial guide and the cheering squad-quite literally—at a prep school football game or a Scottish dance concert, or in encouraging and wise letters.

For all of us, he was also what he was to most of you—the best preacher we have ever heard (there's a strong contender in the pulpit now)—and—if his prayers, in the best Scottish tradition, were sometimes a bit long—they still ring, in his books and in our ears, with his firm Christian faith.

For this man who shaped our lives I offer the words of a poet:

"Image of Light, Adieu—
Thanks for the interview—
So long—so short
Preceptor of the whole."

CABLE TV

PUSHING C-SPAN OFF AIR

Mr. DOLE. For those who have just discovered their cable TV bills went up, stay tuned because Washington will pull the plug on C-SPAN too. Last year's cable TV law is forcing cable systems to drop C-SPAN coverage and

for what? In some parts of the country it was for a Home Shopping channel and in other parts it was so towns can have 4 PBS stations. I can bet that proponents of reregulating cable TV did not bargain for this type of fallout.

What do they expect when Congress gives broadcasters the right to demand carriage on a local cable TV system and the system is full? Something has to give and in this case it was C-SPAN. C-SPAN has lost 1½ million subscribers since September 1. The ironic thing about well-intentioned mandates is we often end up hurting those we are trying to help except this time all Congress has done is shoot itself in the foot.

I have heard several Members say that all these incidents were unintentional. Perhaps the most vocal has been Representative MARKEY who has probably held hearings now on what went wrong. I should remind my colleagues, however, that he is one of the principal authors of the cable TV law and over the last year he has pressured the FCC into writing the regulations the way he wants. If he is going to blame anyone, maybe he should take a good look at those who supported this reregulation. I know he did it with best of intentions, but I suggest, as often is the case when we start mandates, this is what happens.

I ask unanimous consent that the full text of the Wall Street Journal editorial be printed in the RECORD.

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

[From the Wall Street Journal, Sept. 21, 1993]

C-SPAN CHAOS

Last year, Congress insisted on overriding President Bush's veto of a bill to reregulate cable television. The bill's sponsors promised that most consumers would see lower cable bills. Now Members are being flooded with complaints from consumers that reregulation is often turning out to mean higher cable bills and disruptions.

One of the most unfortunate results of the reregulators' handiwork is that some systems are pulling the plug on C-Span, the popular and enormously useful public affairs channel that covers Congress. C-Span has lost 1.5 million subscribers because something called a "must-carry" rule requires cable systems to carry the signals of any nearby TV station that demands it. This means that to make way for local stations, crowded cable systems must knock something off the air. C-Span, famous for carrying only talking heads, is often the first to go.

Until now, C-Span has had an unbroken growth path. When it started in 1979 it reached only 2.5 million households. Early this year it was available to 59 million households, or 95% of those homes with cable. Since September 1, when cable systems began to modify their lineup to meet the must-carry rule, more than one million subscribers have seen service cut back on one of C-Span's two channels.

Some of the service reductions verge on the bizarre. In Stuebenville, Ohio, the local cable system had to add a PBS station from Pittsburgh, Pa. It now carries signals from four public TV stations but no longer offers C-Span. In Alamogordo, N.M., Simmons Cable dropped C-Span after it was required to add the signal of a religious broadcaster from Roswell, 118 miles away. Local viewers already had access to a local religious station. For similar reasons, C-Span 2 has been cut back to half time in Alexandria, Va., home to many Congressional employees.

Earlier this year, the Supreme Court rejected a plea to delay implementation of the must-carry rule. But C-Span hasn't given up trying. It has joined in a lawsuit with Turner Broadcasting, charging that the rule violates the First Amendment rights of cable operators.

Should it lose, C-Span president Brian Lamb worries that Congress may pass a cure for his problem that would be worse than the disease. Some Members want a law that would require cable systems to carry C-Span, and thus force them to bump someone else off the air instead. "I am totally opposed to having politicians require something be aired, even if it's my network," Mr. Lamb told us.

No doubt one of his concerns is that if Members of Congress can mandate that C-Span be carried they may someday put pressure on C-Span to cover or not cover certain events. Tom Hazlett, a cable expert at the University of California at Davis, notes that the state-sponsored network that covers California politics, called Cal-Span, clearly caters to the agenda of legislators rather than viewers.

Congress couldn't resist tinkering with the cable industry. But rather than encouraging competition to break down the artificial monopolies cable companies now enjoy, Congress imposed price controls. The ensuing fiasco was predictable. No doubt Congress will hold hearings soon at which Members will wonder what went wrong. They should make interesting viewing on C-Span. That is, of course, if your local cable system is still carrying it.

Mr. DOLE. I thank my colleague from Michigan for permitting me to proceed ahead of him.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

NORTH AMERICAN FREE-TRADE AGREEMENT

Mr. LEVIN. Madam President, I thought I would spend a few minutes this afternoon speaking about the North American Free-Trade Agreement which we will be getting one of these days.

There are a number of parts of the NAFTA text that make it an unfair agreement to the United States. For instance, just two of the provisions that discriminate against American products—just two of them—are as follows: First, Mexico discriminates against United States-assembled automobiles by requiring automobile manufacturers to produce in Mexico in order to sell in Mexico. We have no such provision in our law. You cannot sell an American-assembled automobile in Mexico now for all intents and purposes because of Mexican domestic laws.

A second discriminatory restriction: Mexico requires auto manufacturers in Mexico to purchase a fixed percentage of the parts from Mexican manufacturers. There is a local content requirement. We have no such provision in our law.

The argument is made that these discriminatory restrictions against American products, autos and auto parts, will be phased out under NAFTA. But with relatively slight reductions during the implementation period, these discriminatory restrictions against American products will be allowed to remain in place, as this chart shows, for 10 years. We are going to have 10 more years of Mexican discriminatory restrictions against American products, in this case autos and auto parts.

Now, we have lost, from 1978 to 1991, over 2.5 million manufacturing jobs in America. If discriminatory provisions like Mexico's are continued, even on a somewhat reduced basis, for 10 more years, many more jobs are going to be lost. Why should we incorporate into American domestic law, which is what we are going to be asked to do, provisions of another country that discriminate against American products for even 10 more days much less 10 more years?

I am going to have a lot more to say about those discriminatory provisions over the next few months, but the main point I wish to make today is that NAFTA's job-creating claims are based on a major distortion of the facts. The underlying major argument that we hear from supporters of NAFTA is that American exports to Mexico will increase under NAFTA, and, the argument goes, exports equal jobs; that when you export something to another country, it represents a job created here.

The Commerce Department hands out a book, this book that I have in my hand. It shows State-by-State exports to Mexico. And then there is another Commerce Department pamphlet which translates every $1 billion in exports into roughly 20,000 American jobs. That is what we are told by the Commerce Department—$1 billion in exports equals 20,000 American jobs that are created.

The administration claims that NAFTA will create 200,000 American jobs by 1995 as a result of a claimed $10 billion in increased exports to Mexico. They claim $10 billion in increased exports. For every $1 billion you get 20,000 jobs. Multiply it out and you come up with 200,000 American jobs newly created.

That claim, which is at the very heart of the pro-NAFTA argument, is based on highly distorted, bloated export figures for many reasons. But let me just give a few. First, those calculations—200,000 new jobs—are based on export figures alone. What they conveniently ignore is the job losses that

result from some imports from Mexico into the United States. What we are given by the Commerce Department is United States exports to Mexico—"U.S. Exports To Mexico"—and then each $1 billion equals 20,000 jobs. That is this book.

Where is the book on imports from Mexico and job losses that result from some additional imports? Where is that book so that we can weigh the two? There is no such book. Where are the net trade figures so that we can see how exports they claim will be increased and imports which we know will be increased weigh out? How do they net out? We are not given that by the Commerce Department. All we are given and all each Governor uses is half the picture, half the story—"U.S. Exports To Mexico," and that nice little equation, $1 billion in exports equals 20,000 jobs. Missing is the other half of the story, the import, job displacement side of the story, which they do not deduct from the exports to give you the net figure but just leave you with the exports story.

So they give you half the picture to start with. But then it is even worse than that because the export figures are distorted, for many reasons, but I am going to focus on one. A significant part of American exports that the Commerce Department shows as going to Mexico and as being job creating in America do not represent jobs gained. They represent jobs lost in America.

Now, I know that sounds contrary to common wisdom, but it is true. Let me just give you an example. I am going to take a chart that shows an American assembly plant somewhere here in the United States, and that assembly plant gets parts from various parts suppliers.

(Mr. MATHEWS assumed the chair.)

Mr. LEVIN. That assembly plant hires 1,000 workers. Suddenly, that American assembly plant moves. It moves down to Mexico; 1,000 people out of work. The plant that assembles cars used to be in the United States, picks up and moves down to Mexico. But that assembly plant continues to get some parts from those parts suppliers. And this is typical. Two thousand plants have moved down to Mexico and opened up in the maquiladora area, 2,000-plus plants.

So this plant, typically used to assemble products in the United States, closes—I said there are 1,000 workers, they are on the street—but continues to get some parts and components from some of those parts suppliers.

What has happened, according to the Commerce Department, is that we have created jobs in that process because the Commerce Department counts as exports those same parts and components that used to be assembled in the United States that now are shipped across the border to Mexico. They have suddenly become exports because they crossed the border. They were not exports before because they were assembled in the United States. But the assembly plant closes.

This is a typical story. The assembly plant closes, some of the parts continue to flow to that plant, but now into Mexico. And because the plant is in Mexico, even though 1,000 people are walking the streets, the Commerce Department, in its export figures, shows those parts as job creating because they are exports. And we all know that $1 billion in exports creates 20,000 jobs.

By this NAFTA math, you could close every assembly plant in the United States, move it to Mexico and, providing some of the components and parts still go to that assembly plant, you will have a huge increase in jobs in America. That is the NAFTA math which is being used by the Commerce Department. And it is not a minor point.

One-third of American exports go to those maquiladoras now, and 99 percent of the production in the maquiladora area comes right back to the United States. But with NAFTA, Mexico is going to become one big maquiladora.

In conclusion, Mr. President, about a third of our exports to Mexico are not real exports and they do not create jobs. The new jobs claimed by NAFTA backers represent a gross distortion. They are based on a false assumption that increased exports should count automatically as job creators. It assumes falsely that we do not have to look at the job displacement from increased imports, and it also makes a false assumption that although a big portion of American exports to Mexico are parts and components that are then simply assembled in Mexico and shipped right back to the United States for consumption, that those are job-creating exports as well.

So, Mr. President, at the very least, when we begin this NAFTA debate we should insist on accurate data so that we can have a debate based not on a false, distorted, bloated, unsubstantiable claim of 200,000 new jobs, which ignores imports, which is based on this kind of math that assumes you can close assembly plants here and count that as job creating because you are still sending some of the parts to Mexico to be assembled, that kind of NAFTA math ought to be dropped by this Commerce Department. It has no place in this debate. NAFTA math does not add up. It does not compute.

In the real world, when an assembly plant closes in America and moves to Mexico, those are lost jobs, not gained jobs. In the real world, you look both at imports, not just at exports. You look at a trade balance, not just at half the picture which the Commerce Department has published—"U.S. exports to Mexico"—while ignoring the other half of the picture which they do not publish, which are job-displacing imports from Mexico.

I will have a lot more to say about NAFTA over the next few months.

Mr. President, at this time, I yield the floor.

Mr. DURENBERGER addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DURENBERGER. Mr. President, are we in morning business?

The PRESIDING OFFICER. We are.

Mr. DURENBERGER. Mr. President, I rise to compliment my friend and colleague from Michigan. I arrive at a different conclusion from his explanation. But I assure the people of his State that this is a man who has always had their best interests at heart and a man whom I have always respected.

I will never forget the time that in our incoming class of the 1979 class, I guess, we did one of those unique things that is not done enough around here where the Democrats and Republicans all got together once a month. We invited in speakers. My friend Senator LEVIN was in charge of getting Democratic speakers, and I was in charge of getting Republican speakers. I think what we ended up with was just plain good speakers to address us.

But one of the occasions that I will not forget is the occasion on which the then president of the United Auto Workers, who had just come back from a trip to Japan, was invited, I think in 1979, to speak to us. One of the comments that sticks with me—this seems like 15 years ago whatever it was—the observation that at that time he said, well they make automobiles in Japan about the same way we do here in the United States. I think he did not spend enough time in Japan at that particular point in time.

We have learned a lot since then. But every one of us in our own communities has a stake in American industry. There is no question about that. We also have a stake in leadership in the manufacturing side, the union side, and the political side.

I am grateful to my colleague, even though I can take the information he has given me today and come to a different conclusion. I am grateful to him, as I have been in past debates here when we did Chrysler and some of these other issues, for making those of us who do not come from large manufacturing States or particularly large transportation, auto manufacturing States, for making us aware of the history and a lot of the other economic elements that go into a nation like ours upon which the rest of the world depends.

I wanted to express my gratitude to him.

Mr. LEVIN. I thank my good friend from Minnesota. We have had a lot of good times here together. We have worked together on many matters. I treasure those moments, as a matter of fact. I appreciate his comments.

I think it is important to all of us to deal with the same set of numbers as possible, at least use the same math. I do believe that my friend from Minnesota and others who come to different conclusions will be somewhat startled to learn that under the math that is used by the Department of Commerce, that the closing of assembly plants in the United States to move that plant to Mexico is a job creator in the United States if some of the parts previously assembled in the United States now flow across the border, because that now counts as exports.

Exports are translated automatically to job creation. I know what we do with numbers is important, but it is also important that we all try to have the same basic framework so that we can debate it. And what we are hoping for is that the Department of Commerce would give us the whole picture. Increased exports, which are fine—not in this case—but frequently these exports do represent jobs, but it is not automatic. That is my point. We also need the imports side of the picture, and we hope to get that. I thank my friend.

NAFTA

Mr. DURENBERGER. My colleague makes an excellent point. I think the same premise lies in health care. We are not going to get a common result until we speak the same language. That is the theme my colleague articulated today.

Several observations. As I listened to him speak, it is a description of a situation we have put up with for the last 6 or 7 years in this country. It does need to be changed. I believe that the North American Free-Trade Agreement, the one with Canada, and the tripartite one with Mexico, is the way to change the kind of description or the kind of problem my colleague described.

I happen to be of the opinion that most jobs that will leave America have already left, or their companies would not be here at this stage of the game; and that the notion that NAFTA is going to be an additional job drain defies the reality of economics.

I also want to make the observation regarding quality of products. Very few companies that I know will run the risk to have component parts which might end up, if they fail, costing the company a lot more than their labor savings going into a relatively inexperienced work force country. In other words, if you have a component part that might fail on you, cause a big lawsuit, cause the exercise of a warranty, you are not going to have that component part made in a country by inexperienced labor. You are not going to have it made anywhere by inexperienced labor. So the notion that whole cars are going to be worked on by an inexperienced labor force at this stage defies reality as well.

The plus in the free-trade agreement is that it takes down trade barriers to countries like Mexico and makes it possible for United States-made products to be sold in Mexico and makes it possible for GM, FORD, and the other auto companies to actually sell more American automobiles in other parts of the hemisphere. That is the impact of Canada and of Mexico, and it will be the impact throughout the hemisphere.

It is also a reality that foreign manufacturers are beginning to locate in the United States, rather than the other way around. This is particularly true in the auto industry, as it is in a number of other industries as well.

The reason is, first, that the markets are here. Second, the smarter buyers are here. Third, productivity is here, if you want to have it made in America. I think the productivity of the average American worker today is like five times that of the average worker in Mexico.

So for all of the reasons that you want to put a better product in the hands of more discerning buyers of products, this is the country in which you are going to want to manufacture.

Enough said on NAFTA.

HEALTH CARE REFORM

Mr. DURENBERGER. Mr. President, I regret not having been here this morning for the discussion and eventual resolution of an amendment brought to us as a sense-of-the-Senate resolution by my colleague from Minnesota, because I do not disagree with the final resolution, but I strongly disagreed with the premise on which my colleague originally laid that resolution.

I noticed that there was publicity a week or 10 days ago about his particular resolution in our State of Minnesota. It was all very positive and, for the most part, because it suggested that somehow Members of Congress and of the U.S. Senate always get a better deal than their constituents in the health care business. This is another one of those examples, as we head into health care reform, where we ought to make sure everybody is treated equally and that this body does not get special treatment.

In the course of my discussion this afternoon about the things we agree on in health care, I hope to suggest that one of the things that we ought to agree on in health care is if we are either going to exaggerate situations or create the impression of things that do not exist, we are not going to get to a common agreement on health care.

The suggestion that the problem is as simple as ripoff insurance companies, drug companies, doctors, or whatever else is not real, is not going to get us to a real conclusion. The suggestion that some people, because of their political position or anything else, are getting more access to better hospitals and doctors than anybody else, that is not real. That is not going to get us anywhere either.

It is a reality, Mr. President, that among the things that are broken in today's health care system, besides the fact that different people pay different prices for the same product, it is the fact that a problem we have today is that none of us know the quality of the care we are getting. You can give the Members of this Congress a $1,000-a-month health plan in the District of Columbia and they will not be getting, perhaps, as good health care as they would get for $300 a month in Minneapolis-St. Paul. I cannot state that as a fact, because I cannot prove it, but that is the heart of the problem. We cannot prove who the best among us are in the current system.

So the notion that somehow, because somebody has a different plan than somebody else has, or some employer is paying 50 or 100 percent, and some others are paying anything else and that is a disadvantage in the system, that is not realistic.

I did not come to the floor just for that purpose. I really came to the floor to talk about the need for common language and common understanding, and really to talk about the things that those of us, the President of the United States, Mrs. Clinton, Democrats and Republicans, who have been at this issue for a long time, have in common and how we feel about the undertaking the President has engaged in, and to share some of the optimism that I have, as somebody who has been at this for 15 years, about our prospects for the future.

I said Wednesday in a statement relating to the President's speech that the most historic thing about the speech the President made is that he was making it; the fact that this event was taking place, I thought, was a historic occasion. I have been waiting for a President to take on changing the health care system in this country for a long time.

I applauded President Clinton right off the bat for his willingness to take it on, and for asking the First Lady, Hillary Rodham Clinton, to take the responsibility and to get us to this stage. And the bottom line is that we need somebody to lead us in this country, somebody we can trust, somebody who will deal with the reality that exists in the system today, and describe to us how we got into this problem and help us, lead us out of it. And so I think it was a historic occasion, and it is a historic occasion.

Second, on the issue of leadership. Leadership means listening as much as designing solutions. I have been on radio talk shows in Detroit and Pittsburgh, as well as in my own State of

Minnesota just in the last 48 hours, and it is interesting that one of the problems you can sense we are going to have right away is that anything made in Washington is not trusted to be healthy for the American people.

On a couple of occasions, I have had the occasion to tell a story about what happened in Minnesota last weekend, because I went back to Minnesota as we took the break for the Jewish new year on Thursday, and I chose that as the time to deliver on a promise I had made earlier to the people of Minnesota, to let them know how I felt about 6 more years in the U.S. Senate, the honor that I felt to serve them for the last three terms, and I announced that I would not seek reelection.

The next day Mrs. Clinton was in Minnesota all day long, from the first of the day until the end of the day. At the conclusion of a very involved day, we had a 1-hour television program in which Mrs. Clinton and the leader of the Mayo Clinic were together in Rochester, MN. My colleague, PAUL WELLSTONE, and one of our better known, better rural doctors were in northern Minnesota, and I was with Denny and Kathy Timm, the owners of an Ace Hardware Store in St. Cloud, MN, next to where I was born and raised, in the area some of you know as Lake Wobegon.

During the course of the program, Mrs. Clinton and Dr. Wallace of the Mayo Clinic made a presentation. They went up to Moose Lake, and there was a presentation. They came to the Ace Hardware Store in St. Cloud, and the owner of the Ace Hardware Store asked Mrs. Clinton, through a series of Q&A's, to describe how we are going to pay for all this new care we are going to be giving to all these people and how it would affect his business, how would it affect what his obligations would be to full-time employees, the family, and a number of part-time employees including college students he employed.

Mrs. Clinton, as she does so well, got into an answer to a question, and she was answering it and answering it, and after about 2 minutes of an answer, assuming that the television was on her in Rochester and not knowing that on this statewide television they actually had a split screen on which I was the other half of the screen, I made one of these cut signs that we sometimes instinctively make, like, "Hey, that is enough," and immediately the First Lady of the United States got a big smile on her face and said: "Thank you, Senator DURENBERGER. I do have a tendency to ramble."

Two days later I was crossing the street in Minneapolis on my way to Sunday service, and I saw a man out of the corner of my eye sort of diverting from his path. He came over to talk to me. He shook my hand, and he said he was sorry I announced my intention to leave. He said one of the best things that happened in the last couple of days was when you went like this to Mrs. Clinton.

I said," What do you mean by that?"

He said, "Well, you know now you can be honest. Now that you are not running for something you can be honest."

I reacted to him by saying I try to be honest all the time, but sometimes it is difficult to be believable, and it is particularly true when you are in a political office and trying to carry off something like this health care reform that we are trying to carry off in this country.

It is difficult to be a leader. It is difficult to be President. It is difficult to be a Senator or Member of Congress, or whatever the case may be.

That leads me to my third point, which is the importance of bipartisanship—to a comment that I made at the White House at a meeting of the people who will be most involved in health care reform. On the morning the President made his speech, at that point in time I made the observation that I have been here on the Finance Committee all of 15 years now, and I think I have been on the Labor and Human Resources Committee half that period of time and been involved in all the health care reform we have done.

In 1979, when Congressman DICK GEPHARDT, now the majority leader of the House, and I both voted to defeat President Carter's hospital cost containment bill through the work that I have done with the now majority leader of this body, Senator MITCHELL, on Medicare catastrophic coverage, with JAY ROCKEFELLER, and others, on a variety of reforms, building partisanship in health care reform has been the rule not the exception in this body.

The observation I made to the President and others is that it is not Republicans who will make this process partisan. It is really up to the President to make sure that it stays bipartisan.

We will be a constructive critic, as we have been in the past, and we will be in the future, of some of the things that the President is doing, and I am going to do that in just a minute. But to be constructive in your criticism means there has to be acceptance of the constructive nature of what you are saying on the part of the people in the other party, the President, and others.

I have every reason to believe, leaving the White House Wednesday, more than that has been the attitude the President has given to the debate, and that will be the attitude in the future.

I rise to assure the American people that on both sides of the aisle in this body because, it has been our tradition to be bipartisan in health care reform, and we expect to continue to be bipartisan in health care reform.

Now, Mr. President, let me comment on some of the things that it helps me at this stage to understand that we all agree on in health care reform—that is everybody in this body. I referred to my colleague from Minnesota earlier who has a preference for what people call a single payer system in health care delivery. My colleague from Illinois has a similar preference for a single payer system. On our side of the aisle, we have quite a number of people, and I think the leader is Senator GRAMM from Texas who believes that if every American were equipped with $3,000 in a medical card, or something like that, we could somehow get costs under control.

In the center, so far, if you will, between those two areas are the Clinton proposal, the Republican proposal, and a bipartisan proposal which Congressman COOPER, and others have been working on for quite some period of time.

So when I talked about the areas in which there is common agreement, I am probably talking about a common ground or common area which the President, the Republican proposal, and the bipartisan proposal will have. We may have the same thing in common with our colleague from Minnesota, who has been such a leader on that side of the issue, and our colleague from Illinois.

The first is if we want to get higher quality health care for more people in this country at a lower cost, the only way we can get that is through productivity, and the only way we can get productivity is somehow making medical markets work. It is a matter of fixing the markets we have now, not replacing them.

In order to do that, we need to raise the value in all of us of quality so that people can buy real value. They know what is good and what is not good. They know what works and what does not work. They can associate that with a price and they can then make a decision.

So far, we have never had the opportunity as Americans to do that.

PAUL and I always bragged the Mayo Clinic was the best way in the world to get health care and it is relatively inexpensive. If that is true, everyone ought to come to the Mayo Clinic to get health care. Why bother stopping at GW or Georgetown when you can go to the Mayo Clinic at less expense.

The answer is people assume the care is as good out there, and the reality is we cannot be sure until they tell us what they do and what the outcomes are.

So the one area in the area I described where we have common agreement is we want to make markets work.

The difference between the Republican approach and the bipartisan approach, on one hand, and the President's approach is that we believe there ought to be national rules for

markets to work as there is for everything else, and then local markets operate to bring value to the individual consumer, not State government—local markets.

The notion that somehow 50 State governments and the District of Columbia deciding how we are going to change the delivery of health care in this country rather than one Federal Government does not make a lot of sense to me. I mean a market is a market, and having the Government running the marketplace has never worked in this society.

The second key agreement that I believe we have is on the need to reform how we buy and sell health insurance. Last year we passed twice in this body by unanimous vote a bill sponsored by then Senator Bentsen from Texas and myself on insurance reform—and 97 to 0 was one of the votes. It could have been close to 100 to nothing on the second. There is almost unanimous consensus that we need insurance reform in this country.

In addition to that, all three of these plans I am talking about say we need to convert the notion of insurance from a bill-paying service or indemnifying doctors and hospitals for the costs of their charges to an accountable health plan where the health plan does more than pay the bill. It makes sure that we know what we are getting before we even have to make the decision, and that after decisions are made, all of the incentives are on the side of keeping us healthy, diagnosing, and restoring us to health as quickly as possible. That includes a wide ramification of health not just the acute care as well.

So all of the things that need to be done—get rid of preexisting conditions as an exclusion, get rid of denial of access to insurance, get rid of throwing people out of a plan at the end of the year, all that sort of thing we have agreement on across the board.

The notion of an accountable health plan I believe we have while we do not know what that is except some of us from places like Minnesota, where we think we are getting close to that sort of thing and that kind of a situation we may not be able to put our finger on it exactly, but we know it works. We know it can make a difference.

Again there is an area. While we have not accented as we should, we spend more time talking about health alliances, and things like that. To say it would change the medical practice, they will not. It will empower us to buy an accountable plan. It will be a health plan that actually changes the way medicine practices in this country. It is the irony of the agreement. I think it is absolutely terrific.

Third, I agree our system should preserve an employer base so that the working people continue to get their health benefits through their employment.

The unfortunate part about the Clinton plan is it does not include the very best that employers can offer. His proposals would basically turn employers into checkwriters. Eighty percent of the cost of the employee's premium gets written by the employer. And the reality is that employers do so much more than subsidize access to health care for the employees. They have been, and always will be, partners in trying to improve the quality of health care.

Come to our community of Minneapolis-St. Paul, and across the State of Minnesota; it is employers that have worked to force the system to change. It is employers who work with their employees on lifestyle changes and on a variety of other ways in which employees can be rewarded for using the system better. So they are the ones that are out there fighting for lower prices, higher quality, more availability of choices, and so forth.

I think it is very critical, in comparing the Republican and bipartisan approaches with the President's approach, to recognize that employers have a much greater value to this system than simply check writers.

Having said that, the notion that you sign off on the employer as writing 80 percent also defies the reality that employers are so differently situated, as we have just heard from our friend from Michigan, that it would be unconscionable to hide the cost of universal coverage in these 80 percent employer mandates.

The fourth and last point to make is the role of government. Here the critical role of government is twofold. One, it sets the rules. Instead of having health insurance be a State function like all other insurance, which has helped to ruin this system, we are going to have national rules of how accountable health plans will work; how these alliances will work; what are the rules.

But we are not going to tell them how to operate. These alliances are owned by consumers, and we are not going to tell them how they are going to buy a product. That is up to them. Accountable health plans are owned by the owners, not-for-profit owners, of the health plans. They are integrated with doctors and hospitals and others in our communities. We are not going to tell them how to practice medicine or how to deliver a product, or they will never get to us the condition they want.

We set the rules. But the most important thing we do is subsidize access. Markets cannot give us equity. Markets can give us better quality, more product, more variety, lower price, but they cannot give us equity. Only we can do equity. Only we. Only public policy can do equity.

At the State level, at the community level, equity is in getting service to the poor, to inner cities, to rural areas, and so forth. That access is part of equity.

At our level, it is incorporated in the $400 billion we are spending today on Medicare, Medicaid, and tax subsidies, a lot of which is not going where it could do the most good.

So I think the great challenge to this body—and I think this is what the chairman of the Finance Committee was saying on Sunday. I think this is what he was saying on Sunday: Welfare reform is not something over here, health care is over there, and Medicare is here, and something else is over there. We are talking about the income security of the people of this country, and we are talking about the role of the National Government in guaranteeing that income security.

And so we cannot let the opportunity go by in this country of taking a look at Medicare and Medicaid, both invented in 1956 for the conditions of 1956, and turn them around so they begin to work for low-income people, the elderly, and people with disabilities in this country. They do not now.

It is unconscionable in a nation like this, where people have good health plans when they are at work but, once they reach age 65, they have to take this part A and then part B and then the Medicare supplemental, or Medigaps, or something like that, and it drives them crazy. We do not have to run a system like that.

In our community and some others in this country, the elderly and disabled can buy one health plan from the same plan that they bought it from while they were at work. The Government's role could and should be to pay a fixed dollar amount to that health plan based on the elderly person's age and health condition. No more Health Care Financing Administration, no more paperwork, no more confusion, no more fear, no more excess buying of Medicare supplementals and any of that sort of thing.

So I would argue to my colleagues that the debate is probably not going to be over how we are going to contain costs and increase quality. I think in that area we are fairly close to agreement. There is an issue of timing. There are some people who believe we have to have universal coverage or we cannot make markets work. That is not true. We cannot get the universal coverage unless we get the costs under control, because the financial capacity is not here to do that.

So on that issue, I think, the greater debate in this body will be: Do we have the courage to do major reform in the restructuring of Medicare and Medicaid; take on long-term care; take on the inequities in the tax subsidies; and when we do this, do it right?

Having said that, let me say that even though this sounds like a big task, I am impressed by the number of

people that are out there asking questions on talk shows, television, wherever the case may be. That is impressive. And I think the American people are ready. I trust this body is more ready than it was 2 years ago when this debate began.

I also believe in the bipartisanship that I talked about earlier when I rose to speak. The President has said he would like to see this job done a year from now. He would like to see the same people that were at the White House Wednesday morning back there in a year. I believe it is possible. I do not think there is any question about whether or not that is a possibility.

But in terms of the debate, we have to get the common language, we have to get a way to estimate the right kind of dollar figures we are using, and we have to be constructive—constructive in the way in which we present the facts to the American people.

Mr. President, with that, I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, the Senator from Kansas and the Senator from Illinois were kind enough to give me less than 5 minutes. I promise to respond to just a few comments by my colleague from Minnesota, whom I enjoy working with.

I do wish my colleague could have been here during the debate because I think that some of his comments were not so really anchored in the debate we actually had this morning.

My colleague talked about pharmaceutical companies and insurance companies. That really was not the debate, although certainly people in Minnesota and the country worry about pharmaceutical companies when the costs go up 153 percent over 10 years.

People I meet at the State fair are very angry when they cannot receive good insurance coverage, or they have to prove to the insurance companies that they will never use it in order to be able to obtain it. And we all know of the reports that deal with the administrative bloat.

Of course, there are reasons to focus on the insurance industry. I think the thing that bothers people the most in the insurance industry and pharmaceutical industry is they see a kind of mix of money and politics, and they just simply do not want to have reform hijacked by big-ticket interests who all too often can dominate the process.

And I agree with my colleague that I really believe there is going to be a commitment on the part of all of us to get the work done. We may have different perspectives, but we will come together. This morning, the final amendment that we agreed to is a strong signal that there will be comparable quality when it comes to the kind of health package, benefits, where the premium is set, and what people in this country are able to receive; people want to make sure,

This is what the President said when he talked about: You are going to have good insurance coverage for yourself and your loved ones, and it cannot be taken away. What this amendment said was let us make sure we do not have all different sorts of stratifications, and let us make sure what we vote for our constituents is something we really think is of high quality, and that we have comparable high quality plans for all of us. That is really the point.

Now, I thought I heard the Senator say that this was sort a nonissue. But I have to say to the Senator that the reason I signed on here pretty early to a resolution—which we then did not have to introduce—that Senators not have free health care until we pass some kind of universal health care coverage, is because I think the people in this country and the people in Minnesota thought that was a bit unfair.

So I do not think it is so out of the ordinary or so off base for all of us to just simply, on the floor of the Senate, finally come together around an amendment which makes it clear that when we think about what is good for our constituents, we really want to think about those kinds of standards for ourselves.

We will all have choices, but we do not want to have different tiers of plans where some people, because of income and means, are able to opt out for a much better quality plan. That is really what I think we all agreed on today on the floor of the Senate. And I, quite frankly, think that is something we have to live up to.

And, by the way, that really was a mandate from Minnesotans, as I see it, because I think the people in Minnesota want to make sure that that is what we live up to.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DURENBERGER. Mr. President, I appreciate the comments of my colleague from Minnesota. I am glad he was here to respond.

Let me, because I was not here for the debate, acknowledge that. But let me acknowledge that I read his resolution when it was introduced. I have it in front of me right now. I read the publicity in Minnesota. I read the cartoons that have appeared in the papers in Minnesota about it.

I can say, as somebody who has been here for 15 years—I will just read the resolution—I can say my constituents and his constituents and a lot of people around the country are of the belief that we are already advantaged over everybody in the country; that in many respects, whether it is free parking or haircuts or pensions or whatever the long list would be, there is a presumption out there that you can tell is reflected in the people you meet and the people you see and the way in which we are treated editorially, that somehow or another we always seek an advantage over our constituents.

The resolution which my colleague introduced indicated, among other things, that the reform is likely to include a standard health care plan designed to be affordable to average Americans. There is no question about that. He goes on to say, "but also will make more expensive plans available to those who can afford them." Of course, that is true. That is the nature of the process. You have a basic benefit and then you have the right of people to buy more services.

What is implicit in the President's proposal is that we are not going to subsidize with our tax dollars any more than the basic benefit that everyone actually needs. It is true people can buy more services from the system, but not at the expense of the taxpayer.

So it is true there will be more expensive plans available to those who at least are willing to pay for them. But the suggestion that is implicit in this, that somehow or other we may end up in that category because today we may be in that category, is inaccurate.

If the Senator would like to take the time, I brought the Federal employee health benefit plan with me and I will be pleased, for the benefit of my constituents in Minnesota, to walk through our current coverage, because I get this all the time, wherever I go, the suggestion that we have got a better deal than everybody else has.

I invite anybody to look at the Federal civilian employees' Federal health benefit plan for 1992 and go through and find out what it is we buy, what it is we pay for it. We buy the same product every one of the 3 million Federal employees of this country buy, and the payments are roughly the same. Except I have noticed, interestingly, the same product in Minnesota costs about half as much, both to the Government and to us, as that product costs here in Washington, DC, because of the difference in the prices.

But, in effect, we are all buying whether it is Alliance, APWU, GEHU, the Mail-Handler, NELC, the Post Masters, some HMO's, basically, we buy the same access into the District of Columbia system or the Minnesota system that all Federal employees do.

I am always asked this. I just checked with the Governmental Affairs people on this. For the record, the amount of contribution that the people, our employers, make to our plans averages somewhere between 70 and 72 percent of the premium cost. That may vary from year to year. It may vary from time to time. But the average employer contribution is between 70 and 72 percent of the premium cost, which means we pay somewhere between 28 and 30 percent of those costs.

Again, this is probably more than somebody who is self-employed. It is probably more than a lot of people whose employers pay only 50 percent. It is less than the auto workers in Detroit and St. Paul and places like that who have 100 percent of their payments paid for them. But that is just the reality.

The suggestion, implied or otherwise, that somehow we have set ourselves up here in the future, or in the present, to have an advantage over anyone else just does not meet the reality. It has never been suggested we would. It is implicit in the way in which this body has operated, at least recently, that we will not. And it is of the nature of health care reform that every American will be entitled, and every American will have the opportunity, to own an accountable health plan with a nationally certified, if you will, basic benefit package. It is the responsibility of this body to make sure it is affordable to everybody in this country. That is why I talked about the Medicare/Medicaid tax subsidies and so forth.

The third point in my colleague's resolution, the differences in the prices of the plans could result in differences in quality—we could stand here and debate quality all day long. Again, there is an implication—and I am taking the time to do this not to be critical of my colleague, but simply because as part of the debate on health care we have to understand what we are talking about. Differences in prices of plans have nothing to do with quality —nothing to do with quality. The difference in quality is where you get your health care.

President Clinton has recommended to us that every American own a health plan and that they buy those health plans all in the same place, one of these companies I just read. When you walk into GW Hospital or you walk into the emergency room of our neighborhood hospital here or you walk into a clinic anywhere where any American with one of these plans, whether you got it because you are poor, whether through a subsidy because you are elderly, or whether you got it at General Motors or the Federal employees, you are going to get the same care. That is the whole point of doing reform. And whether you pay twice as much in Washington, DC, as you pay in Minnesota has nothing to do with the quality of the care. In fact, I would argue you get a better deal on quality in Minnesota, even though the prices are half.

So that is the only point I wanted to make. The suggestion that differences in prices equate with differences in quality is just not factual.

Mr. WELLSTONE. Will the Senator yield for one question?

Mr. DURENBERGER. I will be pleased to.

Mr. WELLSTONE. I will finish up because I promised the Senator from Kansas I would not take much time. She was kind enough to let me come to the floor for a moment.

First of all, if you look at the health care system right now, it is certainly true that the amount of money you have, or the cost of a particular plan you are participating in, may not lead to the best quality health care. That may be true. But people in the country would find it hard to believe that right now your economic means does not have something to do with the quality of health care you can purchase. That is what we are trying to end. Nobody believes that is not the case right now, I say to the Senator, in Minnesota or anywhere else.

The second point, and I am done, by way of a question or a comment is, we ought to look forward. All this resolution—I think the Senator should have been here this morning, because he would have understood that what we agreed to was that when we set this package of benefits and we talk about the level that this plan is going to be set at—I heard the Senator say he thought we ought to do cost containment first before we do universal coverage.

I have a different view. What we said today is, by golly, we want to have comparable quality health care plans. That includes benefits, that includes the way they are designed, that includes the quality of the caregivers, what is there for ourselves and our children. We want to make sure that is something that Senators participate in and Minnesotans participate in. That is all that was finally agreed to on the floor of the Senate today, and for the life of me I cannot understand why the Senator would be concerned about that.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DURENBERGER. Mr. President, I was not there for the debate. That is why I am sticking with the words of my colleague's resolution. I am not reading anything into the record that I was not here to listen to this morning. I am dealing with his words. I also acknowledge the final resolution I could support, too. There is no question about A, B, C, D, and parts 1 and 2 of the sense of the Congress. It is a wonderful idea. I believe we would have come to the same conclusion whether we had a sense-of-the-Senate resolution or not.

But I do know there were a number of cosponsors of my colleague's original resolution, and maybe it is to them I speak, including Senator HARKIN, Senator FEINGOLD, Senator METZENBAUM, and perhaps others who are not on here. "The best guarantee of equity in a social program is to include people of all income levels and social classes in the same system with the same benefit." I think you can argue whether equity is as I described it earlier or equity is putting everybody in the same plan. But the reality is that equity is a job that we do in this place, and we need to do it well, and we need to do it appropriately.

The idea that my colleague suggested on the floor here today—not this morning; he may have debated it this morning—that different people get different levels of health care today based on their ability to pay is certainly true. But the way this reads, differences in the prices of plans could result in differences in quality. That is not true, because you have before you a basic Clinton proposal that everybody in America will come into the system through a plan and their treatment will not depend on their level of income.

The fifth point that is made here: Members of Congress should not create a system designed to impel millions of their constituents to join health care plans they themselves are unwilling to join.

That is nice language, and other than some of the implications that I talked about earlier, I just want to read that into the RECORD because that is the nature of every other country's system in the world.

Members of Congress should not create a system designed to impel millions of their constituents to join health care plans they themselves are unwilling to join.

In every other country of the world, there are two tiers of medicine in which millions go into one level of care, and those who are privileged in some way by position or something else go into another. That is one of the reasons.

I will conclude at this point, that is the reason, the principal reason why we insist, the President insists that we have an American solution for an American problem.

Mr. President, I appreciate the indulgence of my colleagues. I am sure we are going to have literally thousands of hours of opportunity to debate this issue. My purpose in coming to the floor is to begin right off the bat to say we need to be constructive in this debate. We need to be bipartisan in this debate, and we need to acknowledge the fact that we cannot all be the leaders in this debate.

I think the President and the First Lady, particularly, have begun to show the leadership this country needs, and we are all grateful to them for that.

Thank you, Mr. President. I yield the floor.

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

SOUTH AFRICA DEMOCRATIC TRANSITION SUPPORT ACT OF 1993

Mrs. KASSEBAUM. Madam President, I am pleased today to join with

Senators SIMON, MITCHELL, DOLE, PELL, HELMS, LUGAR, JEFFORDS, KENNEDY, MOSELEY-BRAUN, LEVIN, FEINGOLD, SARBANES, ROBB, MOYNIHAN, COVERDELL, STEVENS, and SPECTER in introducing the South Africa Democratic Transition Support Act of 1993. I send it to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. EXON). The clerk will report.

The bill clerk read as follows:

A bill (S. 1493) to support the transition to nonracial democracy in South Africa.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mrs. KASSEBAUM. Mr. President, Senator LUGAR was chairman of the Foreign Relations Committee and a strong leader in passage of the Comprehensive Antiapartheid Act of 1986. I would also like to express appreciation to Tim Trenkle of my staff and Adwoa Dunn of Senator SIMON's staff for their hard work in putting together this legislation today.

Only minutes ago, African National Congress President Nelson Mandela announced at the United Nations that all international economic sanctions against South Africa should be lifted.

President Mandela's speech followed yesterday's vote in the South African Parliament to establish the Executive Transitional Council. This action paves the way for democratic, nonracial elections in April 1994. For the first time, black South Africans will have a formal role in the running of their country.

Mr. President, this is a historic step in South Africa's long path from apartheid to democracy and freedom.

In 1981, when I became chairman of the African Affairs Subcommittee, it was difficult to imagine that I would see a democratic South Africa in my lifetime. Under the leadership of President Botha, the white South African Government showed little signs of loosening its grip on absolute power. At that time, the Senator from Illinois, Senator SIMON, was a Member of the House of Representatives. He has been a long and dedicated leader in denouncing apartheid in South Africa. And now as the chairman of the African Subcommittee of the Foreign Relations Committee, he has seen the realization of a long and valued effort that he has fought from both sides of Congress.

Yet, little more than a decade later, the President of the South African Republic, F.W. de Klerk, embarked upon a courageous path toward democracy. Clearly, external pressure, including sanctions, played a role in these changes. Black South African protests against apartheid provided positive reforms and, perhaps most importantly, apartheid itself, as a repressive system, could not continue to sustain itself indefinitely.

Mr. President, now South Africa is preparing for nonracial elections. It cannot turn back the clock to the era of apartheid and repression. Democracy will soon come to all the people of South Africa.

Nevertheless, the path ahead will not be easy. Many tough issues remain to be resolved.

Violence has become endemic in South Africa. Ethnic tensions, political rivalries, and police inaction have combined to fuel the brutal killing in South African townships.

Certain political groups, including Inkatha and the Conservative Party, have boycotted the political negotiations. If they remain outside the transitional executive council, they could disrupt the transition and they will miss the opportunity to be players in the process. I hope these organizations will soon rejoin the political talks.

But perhaps most importantly, the economy in South Africa continues to deteriorate. Unemployment now exceeds 40 percent, with much higher rates in the townships. If South Africa is to meet the growing expectations among its population, it must generate strong economic growth.

For this reason, it is incumbent upon the international community to remove all remaining economic sanctions to help jump-start the South African economy. It also signals the international community's strong support for South Africa.

Mr. President, the legislation we are considering today takes several important steps to support the peaceful transition toward democracy in South Africa. Today, we repeal the remaining Federal economic sanctions against South Africa which now act as an impediment to growth. This bill completely rescinds the Comprehensive Antiapartheid Act. It ends restrictions on United States voting for South African loans at the International Monetary Fund; it eliminates conditions on United States Export-Import Bank activities in South Africa; it removes obsolete provisions of United States law relating to apartheid.

In addition, this legislation strongly urges State and local governments to repeal their sanctions. Over 160 State and local governments continue to impose sanctions against South Africa. These sanctions remain a serious obstacle to United States investment in South Africa. This bill encourages United States businesses to invest in and trade with South Africa. The Overseas Private Investment Corporation, the Trade and Development Agency, and Eximbank should actively encourage United States business activity in South Africa.

Finally, this legislation restructures the United States assistance program in South Africa to respond to the changing realities in the country. In particular, I support U.S. aid for the electoral process and for groups working to end the violence, including the Goldstone Commission.

Mr. President, South Africa has been gifted with two extraordinary and courageous leaders at this critical stage in its development: Nelson Mandela and President de Klerk. However, I fear that these two men and the political center they represent may be losing power to those on the fringes. On the right, extremists want desperately to cling to their power of privilege. On the left, radicals are losing patience with the slow process of peaceful change. South Africa is at a crucial turning point.

The success of its transition is critical not only for South Africans but for the stability and development of much of the African continent.

Now is the time to act in support of peaceful and democratic change in South Africa. The legislation we will be passing today takes an important step in this direction. The U.S. Senate is on record in support of peaceful and democratic change in South Africa. The legislation we will be unanimously passing today is testimony to that support.

As Israeli former Minister Peres said of the historic peace agreement between Israel and the Palestinian Liberation Organization, people must start buying tickets for the future. Nelson Mandela and F.W. de Klerk have bought their tickets for the future, and this is one small way that the United States is on record today to say we want to lend support to that process. I yield the floor, Mr. President.

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

Mr. SIMON. Mr. President, first I wish to commend my colleague and your colleague, Senator NANCY KASSEBAUM, for her leadership and her interest in the African situation.

There are no votes, or very few votes personally in Kansas for a Senator from Kansas to take an interest in Africa, but she has done it out of a commitment to serve our country as well as to serve Africa and has done a superb job. And let me add that I am grateful to her staff and to Adwoa Dunn who has headed these efforts on my staff. Adwoa Dunn will be very shortly going to AID, and we expect to continue to get her advice and counsel in the Senate. I am grateful to her. And Senator LUGAR very properly was mentioned by Senator KASSEBAUM. He played a very key role as a principal sponsor of the major sanctions bill.

Senator KENNEDY has been very much interested in this all along, Senator SARBANES has, and a former colleague of ours, Senator Cranston, also has been very effective.

Senator KASSEBAUM properly mentioned the meeting at the White House a week ago Monday where Prime Minister Rabin and Chairman Arafat were

there and we saw history made. We have seen history made in South Africa, and it is in large measure, not solely but in large measure due to the vision and courage of F.W. de Klerk and the lack of bitterness as well as vision of Nelson Mandela.

It is incredible to me that a man can be imprisoned 27 years and walk out and not be bitter at the world. If someone wrongfully imprisoned me for 3 days, I think I would be an extremely unhappy person. But the combination of their leadership has been absolutely vital.

After my first visit to South Africa, I came away very depressed. My guess is that was the reaction of Senator KASSEBAUM also after her first visit to South Africa. I thought South Africa was headed inevitably toward massive bloodshed. I could not conceive at that point that there could be a President de Klerk who would free Nelson Mandela and take the steps that have been taken.

But when apartheid was still dominating all decisionmaking there, Congress passed our sanctions legislation which has played a very key role in the South African situation. We cannot quantify it, but those who played a role in that I think can have some understandable pride in all of this.

But as the preamble to the legislation that is now before us mentions, we are about to begin a new era in the history of South Africa. It does not mean there are not going to be problems, just as when the Berlin Wall comes down it does not mean there are not going to be problems in Eastern Europe. When Prime Minister Rabin and Chairman Arafat shake hands does not mean there will not continue to be problems. But it is a new era. Change is there in South Africa, and it is going to be for the better.

The removal of sanctions is a first step. We have to assist South Africa. There will have to be commercial investment. And I would say to our friends in South Africa, do not expect, with the lifting of these sanctions, an avalanche of investment. Investors are going to want to know that there is stability in South Africa, and those who move to the extremes of violence in South Africa, from either extreme of the left or right, are doing substantial damage to the economic future of South Africa.

We have to help in a variety of ways, and where we can help South Africa, whether it is with elections or in other ways, we should be willing to do so.

What is happening in South Africa I would finally add, Mr. President, is good news for the whole region. You take Mozambique, and you go around that whole tier of countries next to South Africa, all of them will be beneficiaries. Right now, while we are meeting here, I am keeping the Foreign Minister of Tanzania waiting in my office. They are not going to be a recipient of the benefits of this as much as Mozambique and some of the others, but it is a ripple effect that will help all of Africa.

I am very pleased to join Senator KASSEBAUM in introducing this legislation and seeing that we pass it today. I am pleased that you have every point of view in the Senate joined in terms of cosponsoring this and that it has been cleared on both sides.

Mr. PELL. Madam President, yesterday, a new era officially began in South Africa. The Parliament in Cape Town, South Africa, voted to give black people a role in governing their country for the first time.

This development has given Nelson Mandela the opportunity to call for the lifting of remaining United States sanctions against South Africa. Today, as he addressed the U.N. Committee Against Apartheid, Nelson Mandela asked the world to accompany South Africa into this new era by answering this call. We in the Congress are answering that call by introducing comprehensive legislation to repeal the last economic sanctions against South Africa.

I am thankful that circumstances now compel us to introduce this legislation. In 1986, the Senate responded to the racial injustice in South Africa by placing sanctions on the regime there. The Congress and the American people supported this action and answered with further sanctions at the State and local level. In my own State of Rhode Island, groups such as Rhode Island Divest were very active in fighting apartheid, and worked through the State legislature to impose sanctions on South Africa. Together with the brave peoples of South Africa and the responsible members of the international community, they took a stand in this battle and helped to bring about the dismantling of apartheid.

Now it is time to help put in place a post-apartheid, multiracial system. It is time to focus on rebuilding a new South Africa. This legislation aims to do this by paving the way for a new Government in South Africa to benefit from multilateral lending and trade concessions appropriate to a developing economy. I urge State and local governments to also respond to the needs of the new South Africa by repealing their own sanctions legislation.

I sincerely hope that South Africans will soon know economic prosperity in conjunction with their new democracy. With the lifting of economic sanctions, we are signaling to South Africans that we stand ready to support them in their struggle to reinvent their country.

Madam President, I urge my colleagues to support the South Africa legislation.

Mr. LUGAR. Mr. President, I rise to cosponsor the South African Democratic Transition Support Act of 1991.

Earlier today, Nelson Mandela, the leader of the African National Council asked that the remaining sanctions imposed on South Africa over the years be lifted. He made his request at a meeting of the United Nations Committee Against Apartheid in New York City. I believe that all responsible segments of South African society now concur with his judgment. This legislation, if passed, would honor that request.

Our proposed bill and Mr. Mandela's request to lift the remaining United States sanctions follow the vote yesterday in the South African Parliament to set up the Transitional Executive Council, TEC, a multiracial body that will guide South African society through the tumultuous period leading up to the nonracial, one-man, one-vote elections scheduled for April 1994. Its passage clears the way to near-universal support for lifting existing sanctions and the restoration of normal economic and political ties between the United States and South Africa.

The bill we are considering today will remove virtually all remaining sanctions in the Comprehensive Anti-Apartheid Act of 1986. Many of the major sanctions in that act were lifted on July 10, 1991, by President Bush after South Africa met certain conditions that were required before the President could act to normalize our commercial and political relationship. This bill will also repeal the prohibitions against United States Export-Import Bank loans to South Africa and remove the requirement that the United States oppose all South African applications for loans to the International Monetary Fund, IMF.

If we pass this legislation, I should point out that there will still be many United States-origin economic sanctions on South Africa. More than 160 State governments, city councils, and other governmental units still prohibit procurements from companies doing business in South Africa. Universities, private pension funds, and other United States investors still have restrictions or prohibitions against doing business with firms doing business in South Africa. Eventually, I hope these sanctions will be modified or repealed. I hope their removal will take place as soon as possible. Repealing these sanctions will be important to revitalizing the economy of South Africa, a necessary condition for a smooth transition to a nonracial democracy. Our bill encourages State and local governments and all private United States entities to rescind restrictions on their economic involvements in South Africa.

The economic and social structure of South Africa is in desperate shape. Unemployment in South Africa exceeds 40 percent, housing shortages are serious and chronic, health care and educational needs are critical, while transportation and agricultural deficiencies

are widespread. Each must be addressed if South Africa is to make progress in its postapartheid era. South Africa cannot make progress toward a nonracial democracy unless its economy grows and expands into all segments of society. Nor will the social and economic inequities in South Africa be removed unless the South African private sector and free markets take on the special task of creating new opportunities for individuals and groups. It will find it more difficult to do so if these sanctions are not lifted.

Progress toward democracy and market economics will provide attractive opportunities for United States trade, investment, and exchanges with South Africa. If its transition is smooth and free of chronic violence and if its economy is open and free, business opportunities for American investors should be extensive. South Africa has the most advanced physical infrastructure on the continent and compares favorably with many industrialized countries around the world. It is rich in natural resources, has talented human resources, modern technology, and other prerequisites for a health economy. Our bill will facilitate more economic interaction between our two countries.

United States activities through the Agency for International Development, the National Endowment for Democracy, the International Republican Institute, the National Democratic Institute and other groups have been in the vanguard of training and other assistance programs to help build a just and democratic society in South Africa. This bill will authorize various funding programs for continuing these and related activities which contribute to the evolution of a democratic society and a free market economy.

Mr. President, the odyssey of South Africa over the past decade has been a remarkable one. Under the extraordinary leadership of President de Klerk and Nelson Mandela and their colleagues, South Africa has been embarked on a perilous, but long overdue, journey of hope. It has been a journey away from institutionalized racism and toward a just society. It has been a journey of social and racial healing. It has been a journey in which injustice and social degradation have been repudiated. It has been a journey that looks to the future of South Africa, not to the past. That journey will be very bumpy unless the existing sanctions on South Africa are repealed.

Finally, let me say that I am proud to be a cosponsor of this proposed legislation. If passed, it will go a long way toward addressing the serious human and institutional problems of racial injustice which gave rise to the near-universal demand for international economic sanctions on South Africa in the 1980's. In the end, the courageous people of South Africa will determine the pace and the content of its future and we wish them well. But, passage of our bill will help their efforts.

Mr. MOYNIHAN. Mr. President, I am pleased to be an original cosponsor of S. 1493 to support the transition to nonracial democracy in South Africa.

This legislation makes clear the support of the Congress for a transition to a peaceful, stable and, above all, democratic future for the people of South Africa. This has been an age of miracles. The collapse of the Soviet Union. An end to the Berlin Wall. Israelis and Palestinians shaking hands on the White House lawn.

And now, a call by the African National Congress for an end to sanctions on South Africa. Nelson Mandela leading the ANC forward into a future of majority rule for the people of South Africa. Make no mistake, this is a historic occasion for which so many have worked and suffered and struggled.

We have not reached the end of the road. We must remain vigilant, watchful. Helpful where we can be so. I congratulate the people of South Africa for this achievement and pledge—along with my colleagues—that we will play our part to help solidify democracy in South Africa and to help where we can to heal the hideous scars left as a legacy of racism and apartheid.

Mr. PELL. Madam President, yesterday, a new era officially began in South Africa. The Parliament in Cape Town, South Africa, voted to give black people a role in governing their country for the first time.

This development has given Nelson Mandela the opportunity to call for the lifting of remaining United States sanctions against South Africa. Today, as he addressed the U.N. Committee Against Apartheid, Nelson Mandela asked the world to accompany South Africa. Today, as he addressed the U.N. Committee Against Apartheid, Nelson Mandela asked the world to accompany South Africa into this new era by answering this call. We in the Congress are answering that call by introducing comprehensive legislation to repeal the last economic sanctions against South Africa.

I am thankful that circumstances now compel us to introduce this legislation. In 1986, the Senate responded to the racial injustice in South Africa by placing sanctions on the regime there. The Congress and the American people supported this action and answered with further sanctions at the State and local level. In my own State of Rhode Island, groups such as Rhode Island Divest were very active in fighting apartheid, and worked through the State legislature to impose sanctions on South Africa. Together with the brave peoples of South Africa and the responsible members of the international community, they took a stand in this battle and helped to bring about the dismantling of apartheid.

Now it is time to help put in place a post-apartheid, multiracial system. It is time to focus on rebuilding a new South Africa. This legislation aims to do this by paving the way for a new Government in South Africa to benefit from multilateral lending and trade concessions appropriate to a developing economy. I urge State and local governments to also respond to the needs of the new South Africa by repealing their own sanctions legislation.

I sincerely hope that South Africans will soon know economic prosperity in conjunction with their new democracy. With the lifting of economic sanctions, we are signaling to South Africans that we stand ready to support them in their struggle to reinvent their country.

Madam President, I urge unanimous support of the South Africa legislation.

Mr. KENNEDY. Mr. President, I give my strong support to this measure to repeal economic sanctions against South Africa and to encourage the development of a nonracial democracy in that nation.

Following decades of repressive apartheid policies, South Africa's Parliament yesterday approved the end of exclusive white control of its government by creating a multiracial body, the Transitional Executive Council, to oversee key government functions. All friends of freedom and democracy hail this important step toward the end of the cruel legacy of apartheid and the beginning of nonracial democracy in South Africa.

Great credit for this historic achievement must be given to Nelson Mandela, President F.W. de Klerk, and other courageous leaders in South Africa who have worked hard, and sometimes at great personal risk, for the principles of freedom and justice. It is a sign of great hope that more and more South Africians are joining in this process of peaceful change.

This victory for the people of South Africa is also a gratifying achievement for American foreign policy. Sanctions by the United States and other nations played a critical role in expediting reform. As a means of foreign policy pressure, sanctions have a mixed record. They have not always worked as well as these sanctions have worked. I am sure that economists and historians will be analyzing these sanctions as an excellent case study for the future.

Now, with our support, the forces of democracy, justice, and freedom can move forward with new confidence to create a new South Africa. In light of the dramatic developments of recent months, leaders on both sides in South Africa agree that the sanctions should be lifted. The continuation of such measures is clearly doing more harm than good.

The bill we are introducing today will repeal most provisions prohibiting economic contact with South Africa, and repeal the remaining provisions

upon the President's certification to Congress that an interim government had been elected in South Africa on a nonracial basis through free and fair elections.

The United States must stand ready to assist the people of South Africa in the establishment of their new nation. The Clinton administration has already pledged to enhance this county's assistance for the national peace accord structures and for the election process through programs on voter education and training for political parties.

The legislation emphasizes the importance of continuing assistance to South Africa during the transitional process to a new democracy, especially to help South Africans victimized by apartheid, to support democratic institution-building and activities to prepare for the election, to end political violence, and promote human rights.

For decades, the vast majority of South Africans—over 90 percent of the country's population—have suffered under the repressive and reprehensible system of apartheid. Finally, South Africans of all races can join hands and work together to provide for their common future, and they deserve our support. I urge my colleagues to join in affirming our commitment to a nonracial democracy in South Africa by enacting this important measure as soon as possible.

Ms. MOSELEY-BRAUN. Mr. President, I first would like to thank Senator KERREY for his gracious deferral of his speaking time. I just have a couple of comments that I would like to make to indicate my support for S. 1493, the South African Democratic Transition Support Act, introduced moments ago by Senator KASSEBAUM.

I congratulate Senators KASSEBAUM and SIMON and the cosponsors of the South African Democratic Transition Support Act and indicate not only my support but my delight, really, in joining with this effort.

Mr. President, we live in an extraordinary time. Not only have we seen the fall of the Iron Curtain, but we have seen the potential for peace in the Middle East. We are also seeing and witnessing the end of apartheid, and today we now see hope has been restored and is being restored in South Africa as that country moves toward the end of apartheid toward free elections and equally for all citizens in a democratic government.

Today, Mr. Mandela at the United Nations called for an end of the sanctions which had been implemented some time ago by this country and other nations of the free world to show our disapproval of apartheid and all that it meant.

I support Mr. Mandela's call for the end of apartheid and the end of sanctions and suggest to the Members of this body that support is appropriate at this time if we are to encourage the development of democracy in South Africa.

A little background, Mr. President. As a State legislator, many years ago I spearheaded, in Illinois, the implementation of sanctions and the passage of sanction legislation against the Government of South Africa. I started, I believe it was, in 1983 until we passed the bill guaranteeing that there would be no investments from Illinois in South Africa until the system of apartheid ended. It was a long fight, and we went through the debate, but it certainly was an appropriate one because it demonstrated that we could use peaceful means, peaceful, coercion in support of our values.

I daresay, Mr. President, sanctions worked. Sanctions worked. And now we have gotten to the point that we have an opportunity before us to remove the sanctions so as to help the outcome that we all hoped all those many years would transpire, the outcome being a move to democracy, free elections, and democratic government. So we have an opportunity to nurture the change that we helped start to fan the flames, if you will, that started with the spark of sanctions in this Nation years ago and now to help South Africa's transition to democratic government.

I just want to say I was in South Africa recently, and I must tell you that the people there are anxious to see this process go forward. They are anxious for the economic help and support that increased investment and increased economic activity will bring. By removing sanctions we will be able then to support and assist the development or redevelopment of that economy so that all South Africans can participate as equal and free citizens in a new democratic South Africa.

I just wanted to congratulate Senator KASSEBAUM and those Members of this body for bringing this legislation forward and to indicate my support. I will have more to say on this subject later in the week, but today in light of the extraordinary announcement that Mr. Mandela made at the United Nations I wanted to add my voice in support of his effort to have the sanctions removed.

The PRESIDING OFFICER. Is there further debate or comment on S. 1493?

Mrs. KASSEBAUM. Mr. President, I understand it has been cleared on both sides of the aisle for unanimous passage.

Mr. SIMON. That is my understanding, Mr. President. I think we are at the point we are ready for passage.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1493

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 "South African Democratic Transition Support Act of 1993".

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) After decades of apartheid, South Africa has entered a new era which presents a historic opportunity for a transition to a peaceful, stable, and democratic future.

(2) Through broad and open negotiations, the parties in South Africa have reached a landmark agreement on the future of their country. This agreement includes the establishment of a Transitional Executive Council and the setting of a date for nonracial elections.

(3) The international community has a vital interest in supporting the transition from apartheid toward nonracial democracy.

(4) The success of the transition in South Africa is crucial to the stability and economic development of the southern African region.

(5) Representative leaders in South Africa, including Nelson Mandela of the African National Congress, have called for an end to all remaining measures limiting economic contacts with South Africa.

(6) In light of recent developments, the continuation of such measures is detrimental to persons disadvantaged by apartheid.

SEC. 3. UNITED STATES POLICY.

It is the sense of the Congress that—

(1) the United States should—

(A) strongly support the Transitional Executive Council in South Africa,

(B) encourage rapid progress toward the establishment of a nonracial democratic government in South Africa, and

(C) support a consolidation of democracy in South Africa through democratic elections for an interim government and a new nonracial constitution;

(2) the United States should continue to provide assistance to support the transition to a nonracial democracy in South Africa, and should urge international financial institutions and other donors to also provide such assistance;

(3) to the maximum extent practicable, the United States should consult closely with international financial institutions, other donors, and South African entities on a coordinated strategy to support the transition to a nonracial democracy in South Africa;

(4) in order to provide ownership and managerial opportunities, professional advancement, training, and employment for disadvantaged South Africans and to respond to the historical inequities created under apartheid, the United States should—

(A) promote the expansion of private enterprise and free markets in South Africa,

(B) encourage the South African private sector to take a special responsibility and interest in providing such opportunities, advancement, training, and employment for disadvantaged South Africans, and

(C) encourage United States private sector investment in and trade with South Africa;

(5) the United States should urge the Government of South Africa to liberalize its trade and investment policies to facilitate the expansion of the economy, and to shift resources to meet the needs of disadvantaged South Africans;

(6) the United States should promote cooperation between South Africa and other

countries in the region to foster regional stability and economic growth; and

(7) the United States should demonstrate its support for an expedited transition to, and should adopt a long term policy beneficial to the establishment and perpetuation of, a nonracial democracy in South Africa.

SEC. 4. REPEAL OF APARTHEID SANCTIONS LAWS AND OTHER PROVISIONS DIRECTED AT SOUTH AFRICA.

(a) COMPREHENSIVE ANTI-APARTHEID ACT.—

(1) IN GENERAL.—All provisions of the Comprehensive Anti-Apartheid Act of 1986 (22 U.S.C. 5001 and following) are repealed as of the date of enactment of this Act, except for the sections specified in paragraph (2).

(2) EFFECTIVE DATE OF REPEAL OF CODE OF CONDUCT REQUIREMENTS.—Sections 1, 3, 203(a), 203(b), 205, 207, 208, 601, 603, and 604 of the Comprehensive Anti-Apartheid Act of 1986 are repealed as of the date on which the President certifies to the Congress that an interim government that was elected on a nonracial basis through free and fair elections has taken office in South Africa.

(3) CONFORMING AMENDMENTS.—(A) Section 3 of the Comprehensive Anti-Apartheid Act of 1986 is amended by striking paragraphs (2) through (4) and paragraphs (7) through (9), by inserting "and" at the end of paragraph (5), and by striking "; and" at the end of paragraph (6) and inserting a period.

(B) The following provisions of the Foreign Assistance Act of 1961 that were enacted by the Comprehensive Anti-Apartheid Act of 1986 are repealed: subsections (e)(2), (f), and (g) of section 116 (22 U.S.C. 2151n); section 117 (22 U.S.C. 2151o), relating to assistance for disadvantaged South Africans; and section 535 (22 U.S.C. 2346d). Section 116(e)(1) of the Foreign Assistance Act of 1961 is amended by striking "(1)".

(b) OTHER PROVISIONS.—The following provisions are repealed or amended as follows:

(1) Subsections (c) and (d) of section 802 of the International Security and Development Cooperation Act of 1985 (99 Stat. 261) is repealed.

(2) Section 211 of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987 (99 Stat. 432) is repealed, and section 1(b) of that Act is amended by striking the item in the table of contents relating to section 211.

(3) Sections 1223 and 1224 of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (101 Stat. 1415) is repealed, and section 1(b) of that Act is amended by striking the items in the table of contents relating to sections 1223 and 1224.

(4) Section 362 of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (105 Stat. 716) is repealed, and section 2 of that Act is amended by striking the item in the table of contents relating to section 362.

(5) Section 2(b)(9) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(9)) is repealed.

(6) Section 43 of the Bretton Woods Agreements Act (22 U.S.C. 286aa) is amended by repealing subsection (b) and by striking "(a)".

(7) Section 330 of H.R. 5205 of the 99th Congress (Department of Transportation and Related Agencies Appropriations Act, 1987) (22 U.S.C. 5056a) as incorporated by reference in section 101(l) of Public Law 99-500 and Public-Law 99-591, and made effective as if enacted into law by section 106 of Public Law 100-202, is repealed.

(c) SANCTIONS MEASURES ADOPTED BY STATE OR LOCAL GOVERNMENTS OR PRIVATE ENTITIES.—The Congress urges all State or local governments and all private entities in the United States that have adopted any restriction on economic interactions with South Africa, or any policy discouraging such interaction, to rescind such restriction or policy.

SEC. 5. UNITED STATES ASSISTANCE FOR THE TRANSITION TO A NONRACIAL DEMOCRACY.

(a) IN GENERAL.—The President is authorized and encouraged to provide assistance under chapter 10 of part I of the Foreign Assistance Act of 1961 (relating to the Development Fund for Africa) or chapter 4 of part II of that Act (relating to the Economic Support Fund) to support the transition to nonracial democracy in South Africa. Such assistance shall—

(1) focus on building the capacity of disadvantaged South Africans to take their rightful place in the political, social, and economic systems of their country;

(2) give priority to working with and through South African nongovernmental organizations whose leadership and staff represent the majority population and which have the support of the disadvantaged communities being served by such organizations;

(3) in the case of education programs—

(A) be used to increase the capacity of South African institutions to better serve the needs of individuals disadvantaged by apartheid;

(B) emphasize education within South Africa to the extent that assistance takes the form of scholarships for disadvantaged South African students; and

(C) fund nontraditional training activities;

(4) support activities to prepare South Africa for elections, including voter and civic education programs, political party building, and technical electoral assistance;

(5) support activities and entities, such as the Peace Accord structures, which are working to end the violence in South Africa; and

(6) support activities to promote human rights, democratization, and a civil society.

(b) GOVERNMENT OF SOUTH AFRICA.—

(1) LIMITATION ON ASSISTANCE.—Except as provided in paragraph (2), assistance provided in accordance with this section may not be made available to the Government of South Africa, or organizations financed and substantially controlled by that government, unless the President certifies to the Congress that an interim government that was elected on a nonracial basis through free and fair elections has taken office in South Africa.

(2) EXCEPTIONS.—Notwithstanding paragraph (1), assistance may be provided for—

(A) the Transitional Executive Council;

(B) South African higher education institutions, particularly those traditionally disadvantaged by apartheid policies; and

(C) any other organization, entity, or activity if the President determines that the assistance would promote the transition to nonracial democracy in South Africa.

Any determination under subparagraph (C) shall be based on consultations with South African individuals and organizations representative of the majority population in South Africa (particularly consultations through the Transitional Executive Council) and consultations with the appropriate congressional committees.

SEC. 6. UNITED STATES INVESTMENT AND TRADE.

(a) TAX TREATY.—The President should begin immediately to negotiate a tax treaty with South Africa to facilitate United States investment in that country.

(b) OPIC.—The President should immediately initiate negotiations with the Government of South Africa for an agreement authorizing the Overseas Private Investment Corporation to carry out programs with respect to South Africa in order to expand United States investment in that country.

(c) TRADE AND DEVELOPMENT AGENCY.—In carrying out section 661 of the Foreign Assistance Act of 1961, the Director of the Trade and Development Agency should provide additional funds for activities related to projects in South Africa.

(d) EXPORT-IMPORT BANK.—The Export-Import Bank of the United States should expand its activities in connection with exports to South Africa.

(e) PROMOTING DISADVANTAGED ENTERPRISES.—

(1) INVESTMENT AND TRADE PROGRAMS.—Each of the agencies referred to in subsections (b) through (d) should take active steps to encourage the use of its programs to promote business enterprises in South Africa that are majority-owned by South Africans disadvantaged by apartheid.

(2) UNITED STATES GOVERNMENT PROCUREMENT.—Notwithstanding any law relating to the making or performance of, or the expenditure of funds for, United States Government contracts, the Secretary of State and the head of any other department or agency of the United States carrying out activities in South Africa shall, to the maximum extent practicable, in procuring goods or services, make affirmative efforts to assist business enterprises having more than 50 percent beneficial ownership by South African blacks or other nonwhite South Africans.

SEC. 7. INFORMATION AND EDUCATIONAL EXCHANGE PROGRAMS.

The Director of the United States Information Agency should use the authorities of the United States Information and Educational Exchange Act of 1948 to promote the development of a nonracial democracy in South Africa.

SEC. 8. OTHER COOPERATIVE AGREEMENTS.

In addition to the actions specified in the preceding sections of this Act, the President should seek to conclude cooperative agreements with South Africa on a range of issues, including cultural and scientific issues.

SEC. 9. INTERNATIONAL FINANCIAL INSTITUTIONS AND OTHER DONORS.

(a) IN GENERAL.—The President should encourage other donors, particularly Japan and the European Community countries, to expand their activities in support of the transition to nonracial democracy in South Africa.

(b) INTERNATIONAL FINANCIAL INSTITUTIONS.—The Secretary of the Treasury shall instruct the United States Executive Director of each relevant international financial institution, including the International Bank for Reconstruction and Development and the International Development Association, to urge that institution to initiate or expand its lending and other financial assistance activities to South Africa in order to support the transition to nonracial democracy in South Africa.

SEC. 10. CONSULTATION WITH SOUTH AFRICANS.

In carrying out this Act, the President shall consult closely with South African individuals and organizations representative of the majority population in South Africa (particularly consultations through the Transitional Executive Council) and others committed to abolishing the remnants of apartheid.

Mrs. KASSEBAUM. Mr. President, I move to reconsider the vote by which the bill was passed.

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

The motion to lay on the table was agreed to.

UNANIMOUS-CONSENT AGREEMENT; LABOR, HHS APPROPRIATIONS

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that when the Senate considers the Labor, HHS appropriations bill on Monday, September 27, the following Senators be recognized to offer in the order stated the following amendments and that any rollcall votes ordered in relation to these amendments not occur prior to Tuesday, September 28:

Domenici amendment, relevant;

Nickles amendment, striking helper language;

Lautenberg amendment, smoking in schools.

I further ask unanimous consent that prior to any votes that may be stacked to occur on Tuesday, there be 20 minutes equally divided between Senators KENNEDY and NICKLES, or their designees, for debate on the Nickles helper language.

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

MORNING BUSINESS

Mr. SIMON. Mr. President, before I yield the floor, I ask unanimous consent that Senators be permitted to speak in morning business for up to 10 minutes each.

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

Mr. RIEGLE. Mr. President, if the Senators from Kansas and Illinois are finished, I would seek recognition to speak as if in morning business.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. RIEGLE. I thank the Chair.

NORTH AMERICAN FREE-TRADE AGREEMENT

Mr. RIEGLE. Mr. President, I have asked for this time to discuss the proposed North American Free-Trade Agreement, which I very strongly oppose. Since 1990, when this process first began, I have argued that a free-trade agreement with Mexico at this time would hurt United States workers, would hurt the United States economy, hurt the United States environment and, in short, would be detrimental to the overall best interests of the American people.

My views have not changed. In fact, in the time since that 1990 period, more information has come to light. And as we have learned more about the text of the actual agreement that has been negotiated, my belief in the disastrous consequences of this particular agreement have grown stronger and stronger.

There was a time when I held some hope that the side agreements being negotiated by the Clinton administration could perhaps resolve some aspects of the problems. But now that these negotiations have been completed, I have concluded that the side agreements have done virtually nothing to deal with the grave threat to our U.S. job base and to our own environment.

So I am pleased to work with the large and growing coalition of people who are in opposition to this NAFTA agreement. At this time it is clear, I think, that a majority of the House of Representatives opposes the NAFTA agreement. I think the votes here in the Senate are less clear, although one thing is certain, and that is there is more opposition to NAFTA today in the Senate than there was 6 months ago. I would predict that that opposition will continue to grow.

So it is possible that if a vote should eventually occur in the Senate—which would only happen if NAFTA were to be approved in the House, so if the House turns it down we will not deal with it here in the Senate—should we come to the point where the Senate did deal with it, I do not think anybody can today accurately predict the outcome of that vote. I think it is possible that we may be able to defeat it in the Senate as well.

In any event, whether in the House or the Senate, NAFTA should be defeated.

Before I detail some of my own basic concerns with NAFTA, I want to focus the debate on what I think has to be the central issue on this matter. I think the sole criteria, the bottom line, for determining how to vote on the NAFTA should be whether it strengthens the U.S. economy, creates more jobs for the American people, and improves our standard of living. Or said the other way, if it develops that NAFTA will cost us jobs, and damage our standard of living, and our economy, without any question it should be voted down, and I think the weight of evidence shows that to be the case. But that ought to be the test that we measure against.

Arguments that Congress should approve the NAFTA to somehow guarantee or ensure President Salinas of Mexico his ability to handpick his successor—as some have suggested—have absolutely no place in this debate. As a recent editorial in the New York Times states "such an argument insults Americans on both sides of the United States-Mexico border." Nor do I believe that arguments such as other nations who trade with the United States would be surprised if we defeat NAFTA should be considered. Most countries cannot understand why we are even on the verge of considering a matter such as this. Some have said we have to do it because the President wants it—whether it be President Bush, or in this case, President Clinton. I do not think that either is a relevant factor with respect to voting this up or down on the merits. I think we have to continue to focus on the single, central question that is overriding, that is, is it in the best economic interests of the American people?

As I say, I think the evidence is absolutely compelling that it is against the economic interests of the American people. If that is the conclusion that Congress reaches that NAFTA is a bad deal and will hurt the country, then we should clearly vote it down.

Some of the NAFTA advocates have said no, it is too late for that, the process has now come so far that even if it has flaws, it ought to be passed.

During the debate on fast track, that was the procedure under which we first set this thing in motion a long time ago, those people who spoke in favor of giving the President the authority to negotiate this agreement repeatedly said that we would have another chance later to actually vote up or down on the agreement itself.

In fact, one Senator, who strongly supports NAFTA now, said back during the 1991 debates "Ultimately, we will decide whether the negotiators produced a good deal for our country."

Another Senator at that time said the approval of the fast track authority "does not commit the Congress to support the trade agreements that are negotiated. If we find that any of those agreements are not in the national interest, we can simply vote them down, and, of course, we will." In fact, the minority leader himself at the time made the same point in saying: "And let us not forget we have the last word. If an agreement is not acceptable, it can be rejected by a simple majority."

That is the situation we find ourselves in. We have the power to turn it down, and turn it down we should.

So Senators cannot both contend that we should approve the fast track authority because we can then later turn down an agreement and then later come back around 2 years later and argue that now that the agreement is completed it is really too late to vote it down and we are sort of locked in and we have to go ahead even if it is a mistake.

Turning to the agreement itself, I think it is important to point out that there is no historic example of a free trade agreement anywhere in history—certainly, in modern history—between countries of such vastly different levels of economic development.

We are clearly an advanced nation. Mexico is a Third World, underdeveloped country in many ways. And there is a vast differential in our standards of living, our wage standards, our working conditions, environmental standards. But because these differentials are so vast, no other country has attempted to try to construct a free trade agreement because they can see the great threat of jobs moving from the country with the high standard of living to the country with the low

standard of living to take advantage of the low wages in that underdeveloped country.

It was for this reason that the European Community in fact rejected the application by the country of Turkey for membership in the European Community. Turkey was turned away essentially because of the huge difference in levels of economic development and Turkey in that instance is very comparable to Mexico in today's instance.

Likewise, the European Community has been careful not to rush headlong into trade agreements with the former Soviet bloc countries. Well, why is this? Because again the wage standards and the other standards are very low. In the emerging democracies out of the old Soviet Union, if they were to come into a common market, it would be very destabilizing to the job base of the existing advanced countries in Europe.

As Sir Leon Britten, the EC Vice President for External Relations stated just this month:

> We want the countries of Eastern and Central Europe to become members of the European Community at the moment when their economies will have developed to the point where becoming members of the European Community will be of benefit to them and not a burden.

So the European Community rejected Turkey's application for membership and is now resisting free trade arrangements with Eastern European countries because such arrangements would lower the living standards in the more advanced countries and drain the jobs away. That is precisely the problem that we face with NAFTA—the threat of draining jobs out of the United States.

I might say parenthetically, there are two very important stories in the news today on this issue of job loss in America. We do not have enough jobs now. In fact we have a desperate shortage of jobs in our country.

Today, there is a story out on the wire reporting a story in the Detroit News in my home State indicating that General Motors has plans to eliminate as many as 50,000 workers over the next few years. That is very distressing news to hear because we need those jobs. It is not clear what other work those displaced workers would be able to find in the kind of an economy we have today.

Also in the Wall Street Journal today, on page A2, there is a summary of what the job prospects are for America—looking forward over the next year through 1994. They use the words "gloomy assessment" because they do not see the economy working in a way to give us the kind of job creation that our people need to have the work available for people to do to be able to earn an income, support themselves and support their families.

So we are talking about a serious job base problem already in America. Then the NAFTA comes along, providing all of these different incentives to cause people to close down operations in America and move them to Mexico and take the jobs down south of the border.

We all know the facts about the wage disparities between the United States and Mexico. In 1992, the average hourly wage for U.S. manufacturing workers, including benefits, is $16.17 cents an hour. By the time you take out Social Security taxes, Federal taxes and State taxes, it does not leave much in the way of after-tax pay to support a family in America today. But, nevertheless, U.S. manufacturing wages are on average $16.17 an hour, including benefits.

The comparable figure on average for the Mexican worker is only $2.35. So it is over $16 in the United States and slightly over $2 down there in Mexico. But many workers in Mexico do not even earn $2.35 an hour. In what is called the maquiladora area of Mexico, where there has been this massive buildup of companies that have left America and gone to Mexico to ship the work down there, the average wage is actually lower. The wage in the maquiladora area averages $1.65 an hour. Bear in mind that the minimum wage in the United States is well above that.

The minimum wage here is $4.35 while down in Mexico it is actually less than 60 cents an hour. It is less than 60 cents an hour. The other day in a big public gathering on NAFTA, we talked about this fact. More recently, in a hearing before the Senate Finance Committee, Tom Donahue, the secretary-treasurer of the International AFL–CIO, came in to say that the basic net effect of the free trade agreement with Mexico will be to expand the United States labor force by over 50 million Mexican workers.

Let me say that again, because it is a very powerful fact. If we go into NAFTA, what we will have done is we will have expanded the labor pool in our own economy by over 50 million additional workers—Mexican workers—who, as we know, today have a minimum wage of less than 60 cents an hour and an average wage of about $2 an hour; but a vast number of whom work for $1.25 and $1.30 an hour.

If we add all of those prospective workers to our work force and we do not have enough jobs for our own people now, what will happen to our American people that need jobs, and what is going to happen to those jobs? In many instances, they will move to Mexico. But also, in order to keep jobs from moving to Mexico, American workers are going to be told they have to take the lower wages to keep the jobs they have. That is what this is really all about.

The PRESIDING OFFICER. There is a limit of 10 minutes as in morning business, but the Senator can seek unanimous consent for additional time.

Mr. RIEGLE. I hope to finish. I know the Senator from Nebraska is waiting.

I ask unanimous consent to proceed for 10 additional minutes.

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

Mr. RIEGLE. Mr. President, these low Mexican wages have acted as a huge magnet to attract United States jobs and investment from America to Mexico. In fact, we have lost over 700,000 American jobs to Mexico just to this point. The Big Three auto companies—FORD, Chrysler, and GM—have over 70 plants in Mexico, and the list of corporations already operating down there is long; there are over 2,000 manufacturing operations in Mexico. It reads like a list of the Fortune 500.

We cannot allow that to continue to worsen, as it has been. NAFTA is not the only alternative to the status quo. The Senator from South Carolina [Mr. HOLLINGS] has introduced a bill calling for a common market in North, Central, and South America, based on a common belief in democracy and a meaningful social charter. Others have put forward alternative ideas. I like Senator HOLLINGS' idea. There is a different way to go, a way other than NAFTA.

But the issue we are presented with at this time is whether NAFTA by itself, the Mexican Free-Trade Agreement, will make our current situation better or worse. It is clear, as you go through the facts one by one, that it will make our current situation much, much worse.

At its heart, NAFTA is much more of an investment agreement than it is a trade agreement, because NAFTA provides important new protections for United States investments in Mexico. It provides an incentive to take and move investment to Mexico under these new investment guarantees.

For example, NAFTA guarantees being able to repatriate across the border profits, dividends, and capital gains. It guarantees the convertibility of currency at market rates and guards against the nationalization of property by guaranteeing compensation for expropriated property. It also provides unprecedented protections for intellectual property, including trade action such as trademarks, copyrights, and patents. Why is that in there? It is in there because the investment interests want that. If they are going to sink billions of dollars down in Mexico, they are insisting on those kinds of safeguards and guarantees.

The other side of the equation is: What kind of guarantees do workers get? What kind of guarantees are provided for the environment? That is where this thing breaks down. You do not find them there because it was not designed for that purpose. It was designed by Wall Street for Wall Street, and basically to allow a handful of people to make billions of dollars by shipping United States jobs and investment

down to Mexico, where wages are low, environmental standards are virtually nonexistent, and where people, by so doing, can drive up the price of their stock and sell it at huge profits and make billions and billions in private profits. That is what this is about.

There are flawed studies that fail to take into account the fact that these investment guarantees will change the incentives and cause more investment to go down to Mexico. When you factor that in, it is obvious that this additional shift of investment from America to Mexico, because of these additional incentives and protections, will very greatly increase the job loss from our country.

For example, the Economic Policy Institute, a well-respected group, found that when the investment shifts are actually taken into account, 550,000 U.S. workers will lose their jobs under NAFTA. The Economic Strategy Institute predicted that more than 220,000 American jobs will be lost. And a study by professors from Skidmore College and the University of Massachusetts conclude that there will be up to 500,000 jobs lost as a result of NAFTA.

So even across the range of those estimates, you will see that these experts are forecasting hundreds of thousands of additional American jobs being moved to Mexico under NAFTA. But the job loss is not all of the damage. That is the most severe and the most easily measured damage but, as I say, NAFTA will also bring an unprecedented new downward pressure on wages of workers who still have jobs here in the United States.

A Prof. Ed Leamer, of the University of California, concluded in his studies that one of the effects of NAFTA will be to create an average wage loss of about $1,000 per worker, of the workers still here in the United States. He thinks about 70 percent of the American labor force will find that kind of downward pressure on what they are now earning, and that they will have to surrender some of their current income as these adjustments are worked out.

Lester Thurow, the highly respected head of MIT, in testimony before the Senate Commerce Committee, agreed. He claimed that two-thirds of U.S. workers would be subjected to unprecedented downward pressure on wages if NAFTA is adopted. It is a logical result of NAFTA. That is part of why it was negotiated. I think it was to drive down wages in this country and force the movement of a lot of jobs to Mexico where profit margins could be widened.

So you can start to see why the ability to close a plant in the United States and move it to Mexico will become very easy. The pension management people in this country—who keep the pressure on the CEO's and the operating officers of large, publicly held companies—are going to basically tell those companies that they have to close American plants and move them to Mexico in order to take advantage of the more favorable, lower costs of production down in that country.

If NAFTA passes, many CEO's will come back and say: "Do not blame me for closing the plant in Michigan, or Missouri, or some other State, and moving it to Mexico; I had no choice. The pension management people, who hold large blocks of stock in my company, told me if I do not close this American plant and move to Mexico, they are going to fire me and, as a result, I have no choice. So I am sorry, but that is the way it is."

And the plant here in America will close 30 days from now, and that work is going to go to Mexico.

(Mr. ROCKEFELLER assumed the chair.)

Mr. RIEGLE. That is what we are talking about. In fact, there are surveys that show that 55 percent of executives of manufacturing companies with over $1 billion in sales have stated that they are very likely or somewhat likely to shift their production to Mexico.

So that is what we should expect if NAFTA goes into effect.

There is more damage that will be done, by the way, than just the job loss and to the grinding down of wage levels here in the United States. I want to address some of the myths that have been put forward by the pro-NAFTA people. One of the claims by the pro-NAFTA side is that the United States will only lose low-skilled jobs to Mexico, those jobs that would be lost anyway, and somehow, in turn, we are going to magically get an offset in terms of higher-skilled, higher-wage jobs in this country.

In fact, the Labor Secretary in recent testimony before the Senate Finance Committee referred to these jobs as "unskilled, routine jobs." They are, nevertheless, very important jobs, and if you have one and it is what you are supporting yourself and your family with, you sure do not want to give it up to a Mexican worker earning one-seventh or one-ninth of what you are being paid.

But the truth is we are currently losing both high- and low-skilled jobs to Mexico. Let me read an excerpt from an article in the New York Times from March 31 of this year. It starts out:

> Walk down the long rows of huge machines, newly installed in the freshly painted Ford Motor Company factory. Stop to examine the futuristic control panels that will run this automated factory. Watch Mexican engineers fine-tuning the new machines. And it becomes easy to imagine—except for the Spanish and the low salaries—that this most modern of engine plants is really in Dearborn, Mich., and not here on an arid plateau in northern Mexico.
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> Staffing the plant are people like Eleazor Faudoa, a 32-year-old technician equal in skill and motivation to the best in Dearborn, but earning only $1,000 a month, one-fourth the wage of an American counterpart. Currently, Mr. Faudoa heads a team completing the installation of machines that will grind the connecting rods for a new four-cylinder, multi-valve engine. Illustrating the sort of initiative often sought from American workers, Mr. Faudoa had a say in the machinery's design. "The manufacturers agreed to incorporate some of our suggestions," he said, "like those for a simpler electrical system and for easier access for maintenance."
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> Northern Mexico—not just the border towns but a strip more than 300 miles deep—is rapidly becoming the newest American industrial belt. By most accounts, nearly 600,000 jobs have been located in Mexico that in the past might have been in the United States. Most are at maquiladoras, the simple assembly plants that pioneered the migration in the 1970's. But the maquiladoras are increasingly being automated, making them harder to tell apart from Midwestern factories.

So the Mexican workforce is skilled and is becoming more skilled.

In the 1989 to 1990 school year, Mexico had over 342,000 engineering students enrolled in engineering studies in that country, almost as many as the United States and the same thing, very high numbers, in their vocational schools providing a large potential supply of skilled workers and future managers needed for advance manufacturing.

Another myth by the NAFTA side that needs to be exploded is that somehow the Mexicans have a lot of money by which to buy goods made in the United States. Not so. The average income down there is very low in comparison to ours. I give an example. Per capita, GDP in the United States is $21,449; in Canada with which we have a trade agreement, it is almost exactly the same. But in Mexico it is not $21,000; it is $3,350, a tiny fraction as much. In fact, the Mexican citizen, on average, in terms of buying consumer goods from the United States, do you know how much they spend actually on average for consumer goods from our country? About $60 of that $3,300 or so annual income, $60 of it comes up here to the United States to buy goods. There are no jobs in that worth talking about. So we need to defeat the NAFTA.

The administration contends that Mexico is a great market for United States products, claiming that the average Mexican currently buys $450 of United States goods and that NAFTA will only increase Mexican consumption of United States products.

This is just wrong. Half of United States exports to Mexico are sent to the maquildadora production zone—which is included in products that are reshipped to the United States. This trade—about $21 billion a year—reflects lost U.S. jobs, not new ones. Over one-third of United States exports to Mexico is in the form capital goods, supplies, and components—clearly not the purchases of average Mexican consumers.

Once these exports are removed from the picture, the average Mexican consumer actually only purchases about $60 annually in U.S. goods—an amount insignificant to stimulate job growth in the United States.

And there is no reason to believe that Mexican workers will soon have the wealth to buy United States products. Mexican workers earn considerably less than they did at the beginning of the 1980's. Unless wages are allowed to increase as productivity increases—a situation that NAFTA does nothing to foster—Mexican workers will not be able to become good consumers of United States products.

Contrary to the assertions of NAFTA advocates, low Mexican wages do not reflect low Mexican productivity. A report by Harley Skaiken, a labor economist at the University of California, notes that Mexican export producers have 80 to 100 percent of the productivity of United States companies, while paying only 10 to 15 percent of the wages. In one specific example, Mexican productivity reached 97 percent of a United States counterpart plant.

From the early 1980's to 1987, Mexican wages declined to less than 60 percent of their pre-1980 levels. Clearly, some of this decline was due to the collapse of the oil market and the debt crisis that followed it. But even if we measure Mexican wages from 1980—a few years before the economic crisis hit Mexico—to 1992—several years after the crisis was passed—we find that Mexican hourly compensation has declined 32 percent, even though productivity is up at least 30 percent.

In fact, had real hourly wages of Mexican workers paralleled increases in productivity, by 1990 Mexican wages would have been 80 percent higher than they were.

This disconnect between wages and productivity is not an accident. The Mexican Government has set out to keep wages low, with the assistance of government-controlled fake unions. Each year, government, government-controlled unions, and business enter into El Pacto, which sets minimum and maximum wages for Mexican workers. El Pacto prevents Mexican wages from rising commensurate to productivity gains.

Despite the compelling evidence that NAFTA will harm United States workers and the United States economy, NAFTA advocates point to the $5 billion surplus that the United States had with Mexico in 1992 in an attempt to show the alleged benefits of the agreement.

The argument seems to be that the United States had a deficit with Mexico, but as Mexico liberalized its trade with the United States, the deficit has become a surplus. Unfortunately, the facts show otherwise.

First, the United States has historically had a surplus with Mexico. Throughout the 1970's—far before Mexico liberalized its trade rules—the United States had a surplus with Mexico. The surplus only became a deficit when Mexico was overcome by its debt crisis, and essentially stopped buying foreign goods.

Second, much of the current U.S. surplus can be attributed to the overvalued peso, which most economists believe will be devalued by 10 to 20 percent next year. A 10-percent devaluation of the peso would wipe out the United States surplus with Mexico overnight, and a 20-percent devaluation would make it difficult for the United States to have a surplus with Mexico for years to come.

Third, as stated earlier, 50 percent of United States exports to Mexico go straight to the maquiladoras—and then right back to the United States—and another third is made up of capital goods, supplies, and components. Only about 13 percent of United States exports to Mexico are consumer goods.

Since most of Mexican exports to the United States are consumer goods, and since the market for consumer goods tends to grow at a faster rate than the market for capital goods, it would not be surprising to see the trade surplus shift from the United States to Mexico. In fact, in the first 4 months of 1993, the United States surplus with Mexico is only about half the size of the 1992 surplus during the same period.

Finally, proponents of NAFTA contend that since the United States has—on average—lower tariffs than Mexico has—on average—NAFTA is per se a good deal for the United States. This argument is simplistic—and wrong. In important industries, high Mexican tariffs will remain higher for years to come.

For instance, in the appliance and flat glass industries, Mexico lowers its tariffs gradually for 10 years, while the United States tariffs are eliminated immediately, even though the Mexican companies involved are among the most profitable in the world. Likewise, other Mexican import restrictions, such as the auto decree, will be phased out only gradually.

If tariffs were all there was to NAFTA, why would Mexico support this agreement? The Mexican Government, as we have all read, is spending at least $25 million in a huge campaign to lobby the U.S. Congress and the American people about NAFTA.

The Mexican Government is not conducting this extraordinary lobbying campaign just so that they can lower their tariffs more than the United States—they believe that the slow phase out of tariffs, along with the increase in investment NAFTA will bring, gives the Mexican the better of the bargain. I think they are right.

Thus, I end where I began—stating my firm opposition to NAFTA. This Congress has a responsibility to only enter trade agreements that serve to increase the standard of living of the American people—and turn down those agreements that do not. We must reject this agreement.

I ask unanimous consent that the article previously mentioned be printed in the RECORD.

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

[From the New York Times, Mar. 21, 1993]

AMERICA'S NEWEST INDUSTRIAL BELT

(By Louis Uchitelle)

CHIHUAHUA, MEXICO.—Walk down the long rows of huge machine, newly installed in the freshly painted Ford Motor Company factory. Stop to examine the futuristic control panels that will run this automated factory. Watch Mexican engineers fine-turning the new machines. And it becomes easy to imagine—except for the Spanish and the low salaries—that this most modern of engine plants is really in Dearborn, Mich., and not here on an arid plateau in northern Mexico.

Staffing the plant are people like Eleanor Faudoa, a 32-year-old technician equal in skill and motivation to the best in Dearborn, but earning only $1,000 a month, one-fourth the wage of an American counterpart. Currently, Mr. Faudoa heads a team completing the installation of machines that will grind the connecting rods for a new four-cylinder, multi-value engine. Illustrating the sort of initiative often sought from American workers, Mr. Faudoa had a say in the machinery's design. "The manufactures agreed to incorporate some of our suggestions," he said, "like those for a simpler electrical system and for easier access for maintenance."

The Ford engine plant is just one example of the rise of advanced manufacturing in northern Mexico, mainly to make products for exports to the United States. A.T.&T. is making telephone answering machines; the Big Three, cars and engines; Zenith, television sets; Whirlpool, washing machines. The list goes on, deep into the roster of Fortune Magazine's 500 largest manufacturing companies. They are joined by other foreign giants, like Nissan and Sony, and a handful of Mexican manufacturers. Having invested millions, the Mexicans are exporting paper, tiles, glass and other products to America.

Northern Mexico—not just the border towns but a strip more than 300 miles deep—is rapidly becoming the newest American industrial belt. By most accounts, nearly 600,000 jobs have been located in Mexico that in the past might have been in the United States. Most are at maquiladoras, the simple assembly plants that pioneered the migration in the 1970's. But the maquiladoras are increasingly being automated, making them harder to tell apart from Midwestern factories.

THE 51ST STATE

"The technological superiority that retained the most advanced production in the United States is disappearing, so that northern Mexico is now almost a 51st state in terms of production," said Harley Shaiken, a labor economist at the University of California at San Diego, who has written on Mexico's industrial transformation. "Boeing might still have a hard time making jet airliners in Mexico, but Mexican workers can match the skills of 70 percent of the labor force in the United States."

The rise of modern manufacturing techniques in northern Mexico seems certain to draw much more American industry to this

country, hurting the American work force while amounting to only a mixed blessing for Mexican workers.

For Americans, it may no longer be true that a factory in the United States can be made more profitable than one in Mexico, even if a factory owner in America automates and retains workers. Ford and others are discovering that semi-automation in Mexico—with equally skilled and trainable, but lower-paid workers—can be cheaper than full automation in the United States.

Many American executives argue that if they did not relocate to Mexico, they would be moving operations to low-wage countries in the Far East. Because Mexico is so close, the factories here at least buy their machinery in the United States, along with most of the parts that go into the products. That creates jobs in the United States. But a Mexican manufacturing belt increasingly capable of matching American production seems to guarantee a continuing shift of jobs to the south.

"That is going to create a political problem in the United States that is not likely to surface for two or three more years," Professor Shaiken said. "And when it does surface, it will be difficult to undo. The North American Free Trade Agreement will have locked in the open border arrangement that makes the job shifting possible."

For Mexicans, there is a gain as more companies hire people like Mr. Faudoa, creating a new class of factory managers and professionals. But the automation is also prompting factories to shrink the number of production workers. Partly for this reason, manufacturing employment in Mexico failed to grow last year.

Finally, to maintain the low wages that draw American companies to Mexico, President Carlos Salinas de Gortari has gotten commitments from business and union leaders to limit raises. It could be years before the gap with Americans wages narrows significantly, said John Pearlman, chairman of the Zenith Electronic Corporation, which has 20,000 employees in Mexico.

A COMING OF AGE

The transformation of Mexican manufacturing is only gradually becoming evident. Until now, the American presence had been most noticeable in the border towns, like Ciudad Juarez. The image there was of unskilled people earning very little to perform simple, repetitive assembly.

But farther from the Rio Grande, major cities like Hermosillo, Monterrey and Chihuahua are becoming more respective of northern Mexico's coming of age in manufacturing. The shipments north from these cities are contributing mightily to Mexico's merchandise exports, which reached $16.7 billion last year from a meager $10 billion in 1986.

The lure for the owners of Mexico's new factories is still low pay. But in the 1980's, corporate America realized that low wages could attract not only unskilled people, but also educated applicants in cities like Chihuahua that boast many graduates from public universities and technical schools.

"Without this pool of skilled people, we could not have put a high-tech factory in Chihuahua," said Lyle Raymond, manager of the Ford engine plant. The plant, which has made engines since 1984 for cars sold in the United States, is about to reopen after retooling to make the new four-cylinder engine.

Chihuahua, located on a mountain plain 230 miles south of El Paso, is a birthplace of this process. Now, more than 40,000 people, nearly one-third of the city's workers, are employed in the pastel-colored factories that are spreading across the plain, appearing from a distance like tiny spots of fresh paint against a backdrop of steeply rising mountains.

The Ford engine plant's employees are a cross section of the new work force. One hundred are licensed engineers—earning $1,400 a month on average and often functioning as foreman, a task that American engineers consider beneath their skills. The 700 production workers are high school or technical school graduates, hired for the assembly line at $1.55 an hour and trained by Ford to work up to electrician, machinery repair, computer programmer or mechanic. The top pay for such specialties is $3 an hour. Mr. Faudoa is a graduate of these ranks, having risen through endless training to be a supervisor of foreman.

The Ford pay, slightly above the norm for Mexico, is deeply below American levels, where a manufacturing worker's average wage is $11 an hour and an engineer newly out of school commands $25,000 to $30,000 a year as a starting salary. By comparison, Esquiel De Luna, a 20-year-old sophomore in electronic engineering at the Institute of Technology here, expects to earn $400 a month—$4,800 a year—at one of the factories upon graduation, and work up to $12,000 annually in three or four years. "I would not take a first job as an engineer for less than $400," he said.

THE SHRINKING PAYROLL

Seeking to maintain the low-wage lure, President Salinas got business and labor to agree to hold annual wage increases to less than 10 percent this year, in a nation that had 12 percent inflation last year. But he is losing ground on another front: he has promised Mexicans thousands of new jobs, many from American companies here. Now, factory modernization is undercutting this goal.

Just as companies in the United States have automated and shrunk their staffs, automation is limiting job growth in Mexico. The automation here, however, is meant not to save wages, but to improve quality.

"Sixty percent of what we once did by hand is now done by machinery," said Elio Bacich, director of a maquiladora here owned by Zenith that produces circuit boards and TV coders. Employment at the plant has fallen to 2,400, from 3,300, in recent years.

The trend is very visible in Chihuahua, a city of nearly 600,000 with striking combinations of new homes near squatter neighborhoods and shiny malls a few blocks from rundown stores. The population has tripled since the 1970's, and as people migrated here from rural areas, jobs grew at an 8 percent annual rate—until the 1990's, when job growth halted, at 140,000 employees.

"I would say that the unemployment rate in the city has risen to 8 percent or more, double what it was three years ago," Mayor Patricio Martinez said. "This does not include housewives who worked and now don't. We don't count them as unemployed."

The growing automation is chipping away at a widely held economic theory. That theory states that Mexico and other low-wage countries should be centers of labor-intensive operations while the industrial nations should remain home for the best manufacturing technologies. But some American companies are finding the arithmetic of partial automation in Mexico persuasive. Given their low wages, five Mexicans operating a partly automated assembly line here cost less than one or two Americans on a fully automated line in the Midwest.

Nothing illustrates the trend more clearly than Ford's decision to switch the manufacture of dashboard gauges from a factory in Saline, Mich., to a Ford-owned maquiladora in Chihuahua named Altec. Altec employs 3,000 people to produce radios and other car components. It is assigning 700 people to the production of dashboard gauges, replacing 400 workers in Michigan by 1995. The alternative would be to automate in Michigan.

"When you automate, you get rid of direct labor, but you add indirect labor costs for very skilled people to maintain the more complicated equipment," said Thomas E. Davis, Altec's controller. Mario M. Okubo, Altec's manager, put it more simply. "We brought the production here and saved the business," he said.

GETTING THE SKILLS

The pressure to be more skilled also touches young women like Magdalena Munoz, a 19-year-old operator in an automated assembly process at the Zenith plant, which like most of the 60 maquiladoras in Chihuahua is evolving into a higher-tech factory.

Young women seated at long tables in one area of the warehouse-like building still function in traditional maquiladora fashion, repetitively placing plastic and wire prongs into slots. These are the larger parts of a circuit board, and the labor-intensive work that these women do, for $1 an hour, originally prompted Zenith to shift production to Chihuahua from factories in the Midwest.

But technology has miniaturized other circuit board components, so that many tasks can no longer be done with precision by hand. And not far from the women seated at their tables, Zenith has installed computer-controlled machines to stamp or glue these tiny parts onto circuit boards. Ms. Munoz has been trained to operate one of these machines.

As the boards emerge, she scans a computerized readout to make certain the parts have been properly placed; if they haven't she adjusts the machine or tries to fix the problem by hand. If she can't, she calls over a technician or engineer.

Ms. Munoz's pay is 137 pesos, or $45, for a 45-hour week, the same as the wage for the women assigned to hand assembly. A dollar an hour is the standard factory wage in Chihuahua, although the most modern factories—like the Ford engine plant—start production employees higher, at $1.25 or $1.50 an hour. These factories employ mostly young men, while the maquiladoras hire mostly young women.

Ms. Munoz's wage might rise with more training, if she stays. Worker turnover at maquiladoras is often more than 20 percent a year. That is a new problem for companies increasingly in need of retaining experienced workers to operate automated machinery. Rather than raises, other incentives are offered to try to keep people like Ms. Munoz.

A company bus takes her, free of charge, from her parents' home outside the city, a 90-minute trip, and returns her at day's end. She gets two free meals on the job. There is a free health clinic and some factories, like Altec, have ball fields, gymnasiums, adult education courses and social halls that workers can use for family weddings and parties.

But Ms. Munoz's day lasts from the time she rises before dawn until she returns home after dark from her long commute. She had kept a similar schedule for a year at another maquiladora, and then took a year off. Will she stay this time, and go through more training to master the complex equipment that Zenith is installing?

A partial answer comes from Graciela Ramos, who directs a center for working women. "These women see themselves as subjected to intense work and, increasingly, skilled work," Ms. Ramos said. "They know that what they do is worth much more in the United States. They don't discuss this even among themselves. The turnover is their resistance; when they can't take it anymore, they quit. But they take jobs again. Despite everything, the work gives them a sense of self-respect that women don't get at home."

Gerald Gonzalez, 22, is a notch or two above Ms. Munoz in Mexico's work force hierarchy. He was among 125 young men hired recently by Grupo Ponderosa to operate its new paper mill. For years, the Mexican company has manufactured pulp at a plant outside Chihuahua, and now it has opened a paper mill alongside the pulp factory, investing $230 million in the project.

Rather than just sell pulp to Mexican companies, the struggle now is to compete across an open border against American companies that also produce white paper for writing and for copying machines. Mr. Gonzalez and his mates, having survived the hiring tests, are being trained to operate the complicated machinery, made in Finland.

"If this group can learn all the tasks and have a vision of the whole paper-making process, including how to maintain the equipment and repair it, these young men will be more valuable, even though most of their work will be repetitive," said Hector M. Raynal, the plant's director.

That is two years of training, at the end of which Mr. Gonzalez is to earn 250 pesos—$83—for a 48-hour week, or $1.73 an hour. He now earns 165 pesos a week, or $1.15 an hour.

Grupo Ponderosa has recruited its new paper mill workers not from Chihuahua, but from two smaller communities nearer the paper mill, where 165 pesos a week seems like a lot. Furthermore, "For only 17 pesos a month," Mr. Gonzalez said, "I live with my wife and baby in a bungalow on the plant grounds."

Grupo Ponderosa has managed to add the paper mill to the pulp operation without increasing the work force. Having installed a partly automated mill and having upgraded the pulp operation, the company is operating the complex with 400 people—the same number that once staffed only the pulp plant.

WEIGHING THE COSTS

That sort of labor savings is helping to fuel a debate over whether Mexico's low wages still justify shifting production to this country—since even here the labor content of a given product is declining. For example, George Baker, an Oakland Calif., economic consultant whose specialty is Mexico, argues that Mexican production is burdened by other costs, not present in the United States, that offset the savings in wages. These include poor transportation, power outages and an absence of nearby suppliers.

Mr. Pearlman of Zenith disagrees. "When I factor in other nonlabor costs—less heat, cheaper land and cheaper construction—there is no question that Mexico's lower labor costs are decisive," he said.

So are Mexico's markedly nonmilitant unions. And nonlabor costs are falling as the infrastructure improves. Until its engine plant closed for retooling in 1991, Ford had been shipping engines north to El Paso by railroad. Now, tractor-trailers will haul the engines in half the time on a recently opened high-speed toll road.

The plant here and a Ford engine plant in Dearborn had competed to be the manufacturer of the new four-cylinder engine. The final decision, depriving Dearborn of 500 jobs, involved factors that went beyond labor costs, Ford officials said.

Ford originally put the engine plant here to satisfy Mexican export requirements for doing business in this country, and those requirements won't disappear completely during the first decade of the free trade agreement. Then, too, Ford sells more than 100,000 cars a year in Mexico, and the bad publicity from shifting Chihuahua's production back to the United States could have hurt Mexican sales, Mr. Raymond, the plant manager, said.

Finally, retooling the Dearborn plant would have required an extra $20 million investment—$420 million versus $400 million here—for enough automation to reduce the labor force.

Thus companies drawn by low wages find other reasons to stay, entrenching northern Mexico as an American industrial belt.

FOR MEXICAN COMPANIES, OPPORTUNITY AND PERIL

The integration of northern Mexico into the United States industrial base is bringing opportunity to some Mexican companies and peril to many others.

Among those prospering in Chihuahua is the Almeida family, which has multiplied a grandfather's brick factory into a modern manufacturer of household and commercial tiles, employing new Italian technology.

Nearby clay deposits, owned by the Almeidas, give their company, Interceramic, an important advantage. So does the recently installed automated machinery that carries out most of the production process. The company's largest bank lender, Banamex, is also a big shareholder, and an American partner,

Armstrong World Industries, helps with marketing in the United States, where 20 percent of Interceramic's output is sold.

"If you put the same plants here and in the United States," said Victor D. Almeida, Interceramic's chief executive, "with people of similar skills earning similar wages, the cost here would still be 5 to 10 percent less."

Maybe. Grupo Ponderosa, owner of a pulp factory and a new paper mill here, has not been so lucky. It is going against an American industry more powerful than American tilemakers. With Mexican tariffs slashed, American paper companies raised sales here by 64 percent in 1992, endangering Mexican paper companies that buy Ponderosa's pulp.

In building a paper mill, Ponderosa hoped to compete against the Americans, not only in Mexico but in the nearby Southwestern United States. So far, the strategy has not worked; the company has lost money and recently renegotiated $200 million in debts.

"The United States industry is very competitive," said Irene W. Meister, a vice president of the American Forest and Paper Association. She added that American paper makers had an advantage in technology, chemicals and wood supplies—advantages the new free trade agreement will strengthen.

And then there is Arnulfo Solis D'Santiago, president of Chihuahua's Association of Small Manufacturers and himself the owner of a company that makes truck bodies and trailers. His work force is down to 52, from 76, and production has fallen to 400 units a year, from 1,500.

Second-hand American trucks, driven south in growing numbers, are cutting into the business, Mr. Solis said, and now that quotas have been lifted on new truck imports, he is expecting to be hurt from that quarter, too. "All our members have the same problem," he said. "We lack the economies of scale, the technology and the marketing to compete."

And Mr. Solis's solution? Well, he is trying to ally with a Minnesota company that makes hydraulic dump truck lifts. Mr. Solis would sell the lifts in Mexico and the American company would sell his dump truck bodies in the United States.

The PRESIDING OFFICER. The Senator from Nebraska.

HEALTH CARE

Mr. KERREY. Mr. President, I would like for a period of time here to address President Clinton's remarkable health care proposal.

I note with not only interest but, I must say, some considerable discomfort about how people are already beginning to organize to oppose the plan. It has not gone unnoticed to Americans that very often we do not do things as a consequence of being afraid someone is going to be angry with us if we do the right thing. We just went through that with the budget vote, and we are about to enter an era where I hope we can achieve the miracle that the President talked about the other evening, and that is to look for consensus, look for common ground, and do not in the early stages of this debate decide that you are not going to participate for one reason or another.

Tom Freedman, who has spent a lot of time in the Middle East, who wrote a remarkable book called "From Beirut to Jerusalem," wrote not long ago in the New York Times commenting upon the difficulty of getting the parties together in the Middle East with a story that is very apropos, I must say, of the health care debate. We always seem to be able to identify the problems, and the question from the citizens is: "Why can't you get anything done? How come nothing gets done?"

Tom Freedman tells the story about a man who wanted to win the lottery. He prayed to his God, and he said: "God, I would like to win the lottery." Nothing happened, Nothing happened, and he kept praying: "God, I would like to win the lottery." And nothing happened. Finally, he goes to his temple and he prays angrily and shouts to God. "God, I prayed to You over and over. Why don't You let me win the lottery?"

Suddenly, the voice of God comes into the temple. God says to him: "Give me a chance. Will you first buy a ticket?"

Well, Mr. President, the President of the United States has bought his ticket. This is the plan, some 254 pages of detail providing a structure. Now the President is going to work on a specific piece of legislation he is going to introduce through this Congress for consideration.

The President of the United States has bought his ticket and put his political career on the line.

I note, Mr. President, when I came to work this morning, I saw an article by Clifford Krauss in the New York Times. We have been lots of these already. The headline is: "Lobbyists of Every Stripe on Health Care Proposal."

And we have already begun to hear from them. "Here is why it will not work." "Please, Senator KERREY, Senator ROCKEFELLER, please vote against this plan. Don't support the plan because it does this, this, and this."

This whole article just gives a small indication of what is likely to happen.

In the Washington Post, on the Federal page, Mr. President, is a list of the top 10 recipients of health PAC donations; lots of money.

I am not suggesting that Members are influenced by these contributions. I am telling you is it is an indication that the health industry has an intense interest in preserving the status quo.

I understand the talk about change. I will say, yes, I would like to change, but can you change for everybody but me, because, you see, I am not the problem. It is the other person that is the problem. You are right going after that guy, but it is not me that is the problem.

Mr. President, in the President's proposal, in the ticket that he bought, in the risk that he has taken, there is clearly the basis for a bipartisan agreement. We have to be absolute fools not to be able to see that.

It is one thing, in the midst of a debate about taxes and budget cuts, to say, "Well, I'm going to sign off on it and not get in." It is kind of abstract. It does not really affect people. So you can make the case in deficit reduction, "I am against this tax increase, I am against this cut, so I am going to give you a thousand reasons why I will not vote for it."

But this affects the lives of Americans, Mr. President, as you well know. This is not an abstract issue. This is going to determine whether or not babies are born with normal weight. This will determine whether or not people are able to stay on the job. This will determine whether or not every American gets the help they need.

I have had an interest in health care for a long time. The sustaining fire that keeps my engine burning is the fact that I got health care at one point in my life and it saved my life. I know that if you have high-quality health care, you can put your life back together, you can get up, you can run, you can go to work, you can go to school, do the things you need to do. Without it, you cannot. Health care is not an abstract issue for the American people.

I sincerely hope that at the beginning of this debate Republicans and Democrats—and I have heard the Republican leader say, when we find an area of disagreement, there is plenty of room for agreement here. Let us find it, I say to my colleagues, before we move on.

Mr. President, I would just add a bit of detail to that and emphasize that when Mr. Clinton came to this Congress earlier this week and described the six areas, he was also describing six problems, and that is the foundation.

We all understand that access is a problem. There is a broad coalition on principle, No. 1, a broad coalition that we ought to have comprehensive universal health care for all Americans. Well, that is a good starting point, a good, solid starting point. There are Republicans and Democrats who can agree on that. So let us lock that in.

Comprehensive universal health care for every single American. You will know that you have it; it cannot be taken away; it cannot be denied to you. It is a good, comfortable starting point.

The President and First Lady also say everybody knows this system is causing us to be priced out of the market. Costs are out of control, at least they appear to be out of control. We need to do something about this.

We know there are limits. We know we have to control the costs of health care or businesses are not going to be able to pay the bill, people are not going to be able to pay the bill. We know that is the case. There can be legitimate differences of opinion on how to control the costs, but let the American people know at the beginning that we agree that we will try to put something in place that will control costs, that asks them to participate in the process, and asks them to help us find an answer that will work.

The First Lady also says, quite correctly, that everybody is confused by this system. It is very difficult to understand how it works, who is eligible, who is not eligible. If you are eligible, how much will you pay?

Not only are patients confused, spending lots of time filling out forms, perhaps second only to their tax forms, but providers are, as well.

So the administrative costs in the health care system continue to rise, and the complexity of the system is the problem, and the President is saying we have to do something about it.

Again, a broad coalition, broad support for making that change. So let us argue it. Let us stand upon that foundation. Let us not yield to special interests that will come to us and say, "Oh, please protect our little piece of the pie."

The President said we have to have choice in this system, we have to have choice. Individuals have to be able to decide, not because it satisfies their needs, but because it satisfies the providers' needs. It is healthier if we have choice. It is healthier if we have the opportunity for different sorts of people to come and say we can satisfy your needs, we can make you healthier, we can do what you want. Embedded in that is a need for us to get more information.

It is clear that Americans want to preserve quality—not an easy thing to do, as I will get to later when I talk about the economics of health care.

We want high-quality health care in America and we do not want to sacrifice. Nobody is disagreeing with that. Again, it can be a part of our foundation.

Last, Mr. President, the President of the United States buys his ticket and risks his political career by saying to Americans that we have to take personal responsibility. For far too long people have said, "I want my health care, but I do not want to pay anything for it."

Well, Americans, I think in a majority, are now saying we are willing to pay the money. The problem for far too many Americans today is, even when they are prepared to pay the money, they cannot buy the insurance. And the President has identified that problem.

So, Mr. President, we are not, it seems to me, in this Congress, lacking a solid foundation from which to begin. The President has given us a road map, given us a structure. The First Lady has done a tremendous job in meeting with Republicans, meeting with Democrats, meeting with the American people and articulating very, very clearly what this foundation is going to be.

So, Mr. President, let us begin with that, and let us go forth from that foundation and see if we cannot do what, indeed, the American people want us to do, which is, once and for all, to produce a miracle, health care to come to each and every American.

Hopefully, in 1994, Mr. President, I will be able to go to sleep with a conscience that is clear that every single American has the same quality of health care that I do. If I could go to bed with that clear conscience, Mr. President, it will come as a consequence of Members of this body and Members of the House of Representatives, Republicans and Democrats alike, saying that we are going to stand on this foundation that the President and the First Lady have built and do the right thing.

Mr. President, I come here today, as well, to talk about some economic issues that I think are terribly important and, at times, troublesome. They are also extremely difficult in many ways.

There are three issues that I see as connected to economics. One is just the raw economics of health care.

Mr. President, all of us know that if you are wealthy you do not have to worry about health care. That is a relatively easy thing to figure out.

Well, the Nation is the same way. I heard the distinguished Senator from Michigan earlier talking about the North American Free-Trade Agreement. Well, people in Mexico cannot afford cataract surgery. They do not

have live corneal transplants in Mexico. They do not even think about doing a total hip replacement down in Mexico, or a cardiac bypass. That is not even in their vocabulary.

We have high-quality health care in the United States of America because we are a wealthy nation. It is true that far too many of our people do not have access, but the overall quality of health care in the United States of America is directly dependent upon our capacity to generate income and wealth.

One of the reasons health care is now a burning issue in the United States of America is that in the decade of the 1980's, indeed starting in 1973, as productivity rates started to decline, as international competition started squeezing wages and automation of services started doing the same thing, as people started to turn to temporary part-time work, the wages of working men and women in America have begun to decline in real terms. The only way household income has kept pace with inflation is that both mothers and fathers are now in the workplace.

That has not been without some other things going on. The cost of health care has also been going up rather rapidly, during this time.

When I had a son and a daughter 18 and 17 years ago, I paid cash. It was possible to do that. It was possible to write a check in 1976 and 1978, for the birth of your children.

Today, in Washington, DC, a 2-day normal delivery costs $10,000; $7,000 for the hospital and $3,000 for the doctor. You cannot write a check for that anymore.

What has happened in this entire period of time is that wages have been squeezed, real wages have gone down, and household incomes have kept up only because both the mother and father are working. Health care costs have continued to rise and suddenly it is a problem.

It is a problem because we are not generating a sufficient amount of income to pay the bills. Yes, I want to control the costs of health care, but I am here to say to my colleagues and to Americans that, unless we pay attention to the need to invest in our people, our transportation, our communications system, to make sure our schools are producing people who have the skills they need in the modern workplace, our wages are going to continue to decline. And, as a nation we are going to be able to afford even less.

No program we put in place here is going to change that. Unless we invest, unless we have a tax, unless we have a regulatory spending policy that creates higher paying jobs in America, unless our schools work, unless we as parents do what we need to do with our children, our wages are going to continue to decline in real terms and health care is going to continue to become more and more unaffordable.

We have to produce higher incomes, we have to produce more wealth. Because they are the source of our capacity to pay.

The President the other night stood and held up a health security card. Not this one, one similar to this. No one should fall under the mistaken impression that this card pays the bills. What this card does is indicates that you are eligible. That is all this card does. It is a wonderful thing to know that every single American is eligible. But, this card does not pay the bills. Wealth and income pay the bills. At some point, somebody has to write a check for the bills, and our capacity to write those checks is a direct result of our wages and our income.

We are doing a project in Omaha, NE, it started 3 years ago, on infant mortality and low birthweight called First Step. It is a terrific project. It helps to provide prenatal care and well-baby care to young women, doing what we can with immunization and nutrition to make sure that babies are born with the right weight.

But the No. 1 thing that correlates with high birthweight and with low infant mortality, is income. The higher your income the less likely your baby is going to be born with a low birthweight and less likely your baby will not survive in that first year. It is income that determines an individual's capacity to be healthy.

So I caution my colleagues, as we are talking about this, to consider the economics of health care. This card does not pay the bills. We have to generate income if we are going to be able to pay the bills.

I do not have any basis to come up with this number but my guess is, out of 117 million or so people in the work force today, my guess would be that 50 million people, perhaps, do not produce a sufficient amount of output to be able to afford the health care they would like to buy. Maybe the number is 40 million, maybe the number is 30 million. But it is a serious economic issue and that is what we have to focus on.

Let me give an example. If you and I work in factories across the street from one another, let us say I produce $50 an hour of widgets and you produce $15 an hour in widgets.

Mr. President, at $50 an hour of widgets my boss can afford to pay me $20 an hour in wages and benefits. He may try to stiff me for a while but the market is apt to have me walk away from him and find a job someplace else. He may overpay me for a while but again the market is apt to say to him he is not going to survive in business. There is a relationship between what my boss can afford to pay me and my output.

If you are earning $15 an hour, your boss will say, "I can afford to pay you about $6 an hour, Senator ROCKEFELLER. That is about all." If we as a Government do not recognize that, there is a temptation to say to that business, "Here is another $2 or $3 worth of expenses you have to pay," and be blind to the fact that there is an economic reality that the employer may not be able to pay more.

The problem is not going to be solved by us turning to business and saying, "You are irresponsible." The problem is going to be solved by us working in our education policies, investment policies, tax policies, to make sure the wages of our people are rising so there are fewer and fewer Americans who find themselves saying we cannot produce a sufficient amount of output to pay the bills.

I am not saying that we ought not to reach out and help people who no longer have the capacity to produce. We do that with elderly Americans and we should. We do that with disabled Americans and we should. We do that with poor Americans and we should, Mr. President. But there are two ways for me to get health care. You can give it to me, or I can earn it. In 1969 you gave it to me and I needed it and I am grateful for it. Today I have the capacity to earn a sufficient amount of income to pay taxes to help pay the bills for others who are not able to afford it.

Mr. President, there is a relationship between income and our capacity to build a high-quality health care system, and there is a relationship between an individual's income and his or her capacity to be able to afford it. And we dare not ignore that economic reality or we are apt to make things worse.

The second thing is the nature of Americans and this is a very important factor here. I do not know if I live in the same world as the rest of my colleagues, but in my entire life, and even today, it is my own nature and the nature of my friends and the people I know, to want answers to things. We want solutions. We were not satisfied to have polio wiping out a portion of the population of the United States in the 1950's, so we sent people out to try to find a cure for polio.

I caution my colleagues, we did not say to Jonas Salk, we did not say to Dr. Sabin, "Whenever you fund a cure make sure the price of that thing is inside the CPI. Make sure the Consumer Price Index is not exceeded by whatever cure you find." And we do not do that today.

We have researchers looking for cures for cancer. We have researchers looking for cures for cystic fibrosis, multiple sclerosis, muscular dystrophy, for amyotrophic lateral sclerosis, for all sorts of other problems we have in society today. Those researchers are looking for cures and when they find those cures, Mr. President, we are not going to say to them, "I can only give it to people who have enough money to pay the bills." We are going to apply it

across the board. And I urge my colleagues and Americans to understand that. We have to face that fact.

Again, it is connected with our capacity to generate income. If we want to be able to apply that across the board we are going to have to generate the wealth to pay for it. Or we are going to find ourselves struggling to get the job done.

Third, the nature of what we call health is constantly changing. Our definition of health is changing. What we consider to be healthy is changing. What we define as mental health today is not what we defined as mental health 50 years ago; what I define as satisfactory orthopedic surgery is not what I defined as satisfactory, 50, 40, 30, 20 years ago.

I understand the people are frustrated with the costs of specialists, but we have ophthalmologists in America because we needed specialization in order to focus on that area, in order to come up with the laser surgery that allows us to remove cataracts and do live cornea transplants.

I do not object at all, indeed I think the President is right on target, saying we have to move more toward primary care. But specialization has occurred as a consequence of our demands, our demands for narrow answers. And those answers, those solutions have dramatically changed the quality of our lives.

I hear people say we have to stay within the CPI. The fact of the matter is, sometimes the discoveries do not lend themselves to those kinds of mathematical applications, and we as a people have to begin to discuss that. We have to have a way to discuss it because one of the things that frustrates Americans about health care is that somebody behind a closed door is making a decision. As the President said the other night, somebody 2,000 miles away is making the decision, telling the doctor they can or cannot do this. Maybe we ought to get it closer to home. Maybe that is what we need to do.

Maybe we ought to get closer to home, as we have done in Oregon. I have never liked parts of the Oregon plan. It is easy to figure out what low-income Americans ought to have. I think that is what we are going to have to do. We have to have a basis to have an open discussion about what it is that we are going to define as health and what problems are we going to solve and how are we going to decide where to begin and where to stop.

The 50-year history of health in the United States of America, as I have alluded to earlier, is one of tremendous advances. Consider what happened in 1943. People really ought to think about what health care looked like in 1943, what problems we could solve and what problems we could not solve. I was injured on March 15, 1969. Had I been injured on March 15, 1943, I would not be standing here right now, Mr. President, because the kind of medical care they provided me in 1969 was dramatically better than what was available for battlefield injuries in 1943.

That is just one example of many that one can cite. We cure things now we did not cure then. I was listening to an individual the other night who was concerned about health care and he told a dramatic story about his daughter's life being saved with a new procedure related to cancer.

Bone marrow transplants that we now do in a fairly routine fashion cost $100,000. They are wonderful. I guarantee you, it was thrilling to listen to this man describe his daughter's life being saved as a result of this surgery. It was not available 50 years ago. It is available today. We asked for it.

So the history of health, in my judgment, is a history that has developed on a natural basis as a consequence of what we want. Health care costs are becoming more expensive because of the improvements that are being made.

So if we stand here in 1993 and say, "I am so angry that health care costs are expensive," one reason they are expensive is because we asked for high-quality, expensive health care. We should not be surprised.

Second, the history of intervention in the last 50 years is a rather remarkable economic lesson. I have to tell you, I fell asleep in Economics 101 when I went to college, so I do not pretend to have a deep and profound and impressive understanding of economics. But I do understand that if you increase demand and restrict supply, the price is going to go up. That is essentially what we have done all the way through the last 50 years. In order to allow Americans to get health care when we had wage controls late in the Second World War, we came to Congress and changed our laws and said you can now deduct insurance; about $50 billion of tax expenditures, Mr. President, driving demand, making it easier to purchase health care, no question about it, but also beginning the trend which moved us away from paying much in the way of cash.

Eighty percent of the expenditures in 1945 were paid for with cash. Today, 80 percent of the expenditures are paid for by third parties. We intervened again with Medicare and we intervened again with Medicaid. In every single instance we solved the problem, Mr. President, no question about it. Consider the change in the life of elderly Americans today compared to the way it was prior to 1965. It is a remarkable transformation.

We drove up the demand. In almost every single case when we did it, we put supply controls on certificates of needs, restrictions on licensing—all sorts of things. We said we have to be careful we do not build too many hospitals or license too many doctors. We control the supply and drive the cost up, and then we are shocked.

I am saying all these things because, yes, I believe there is waste, fraud, and abuse in our system. I believe there are tens of billions of dollars that come as a consequence of complexity and unnecessary paperwork. There are lots of things we can do to reduce procedures that are clearly unnecessary and save money. But in the end, after we have cleaned out all those bats out of the attic, we have to face facts. Part of the reason that cost has gone up is because we are asking for high-quality health care.

All of this, for me, leads to one conclusion, among many others, that I would make this afternoon; that I would offer in respectful disagreement with the President's proposal. Again, as I said before, I am not standing here on the floor with an ultimatum. I am not standing here on the floor saying if you do not change this I will not support your bill, as I am being urged, as I read in the New York Times, "if you don't make this change, this is going to destroy our lives."

If we are going, as I believe we ought, to extend to every American under color of law a right to health care and say you no longer have to worry that you are going to lose it, we are going to give every American one of these cards and say you are now eligible, if we do that, we have to acknowledge that, once again, we are going to drive demand, we are going to increase demand. All of us understand that, and we have to understand that there are going to be limits.

I just have to tell you I believe the most effective way to control the cost of health care in the beginning is to say to every single American that not only are we going to change the way you become eligible, but, in order to control costs, we also have to change our individual responsibilities.

The President talked about this as his sixth point in his remarkable speech the other evening, but I think we have to be very explicit. I think we have to say that each one of us understands that we have a responsibility to pay and we have to be aware of the costs. Health care is not like shopping for groceries. It is not like going out and buying a car. For gosh sakes, many of the expenditures we make are elective, and we can at least know the price of that.

I will give you an example. I will say, it is a little difficult to talk about because I expect to hear, read about it, perhaps hear about it in townhall meetings and read in the newspapers and it may look different than what I am about to say right now.

I hear, as I suspect most of my colleagues do, people in the Medicare Program come and say that prescription drugs are expensive. I hear it a lot. You do, too, Mr. President, I am pleased the

President of the United States has identified that is something we need to address.

When we are approached by someone who says, "Do you know what it costs for a year's supply of hypertensive drugs? Do you know what it costs me for the medication I take to control the ailment that my doctor has diagnosed?" One of the things we ought to say is, "No, I don't, but I'm glad you do." One of the things we ought to say is, "I want to make sure that if your income is $500 or $600 a month from Social Security, whatever your retirement is, and you have $300 or $400 a month of prescription expenditures, I don't want," as the President indicated earlier, "you to have to choose between food and prescription drugs."

But there is something good in this, and that is the fact that Americans must know the price of health care, Mr. President. It is very important, very important for me. I would prefer, indeed I think we can build a bipartisan coalition, on a very small change in the President's proposal to say the mandates should fall upon the individual and not upon the business, Mr. President. I generally think we can build a coalition on that one small change.

The financing of it may not change at all. We can still say the businesses have a requirement to make a contribution, but if I say to Americans, "Here's your card, you're eligible, you have a right, go get what you want," and we are going to mandate that the businesses pay for it, even if we ask Americans to make up 10, 20—we have to say to Americans, "It is your responsibility, it is our responsibility, it is my responsibility as an individual." I cannot just come in and ask for the best and then pray to God that somebody else pays for it.

Mr. President, I say, as I said several times, our capacity to have the highest and best health care in America is wholly dependent on our ability to produce wealth, to generate income. One of the reasons, as you well know, that people are struggling right now with health care is they cannot afford it. And one of the reasons they cannot afford it is because the wages have been staggering. We cannot simply extend a right to every single American and then be unconscious as to what that right will be doing.

We have to ask immediately afterward if Americans are willing to accept new responsibilities, and if they are not—Mr. President, we cannot in order to get reelected, in order to give Americans something they want, we cannot look them in the eye and say we are going to give you what you want for not asking for something in return, because if we do, it seems to me, Mr. President, we will disappoint Americans by driving health care costs up even more, by causing their taxes to go higher than we would like, by causing them to discover that the solution, indeed, would make things worse.

It would not require much change, in the structure of the proposal the President is making. I believe, Mr. President, it would provide us with a clear, bipartisan foundation upon which we can do the work that the President of the United States has asked us.

I close by saying I am extremely impressed the President of the United States stood before the American people—the First Lady did the same—and acted with a great deal of courage. All of us know that many of the things the President has proposed are going to provide a response from a variety of interest groups, and we know where those interest groups are, we know where the opposition is going to come from; that they have already begun to do their work, Mr. President. It is a courageous thing the President has done, and the only way that the miracle of a piece of legislation being signed in the Rose Garden in 1994 is going to occur is for us to identify those areas where we agree and then build a house upon that foundation.

The President said that we now look back upon Social Security some 50 years after it was enacted and we cannot imagine—cannot imagine—a time when old people died on the street because they did not have enough income. We cannot imagine what America was like knowing that our parents were at risk when they could no longer earn a productive wage in the workplace. We cannot imagine what America looked like.

Well, we want to arrive probably 20 years—it will be 40 years for most of us—but 40 years from now we would like Americans to look back and say they cannot imagine a time when Americans had to wonder whether or not they were going to get health care.

But we would also want that 40-year history, Mr. President, to be a time when wages rise, when incomes rise, when America continues to generate wealth, and the quality of health care they need and deserve is affordable.

I applaud the courage of the President of the United States. It will take a considerable amount of courage on our part and a considerable amount of courage on the part of the American people to take the time and to make the effort to understand each and everything about this health care plan. We represent our people. We represent the people who have elected us, but it will take a collective effort to make sure we do this right.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. ROBB). The Chair recognizes the senior Senator from Nebraska, [Mr. EXON].

OMAHA HERO

Mr. EXON. Mr. President, since this seems to be Nebraska day on the floor of the Senate this Friday afternoon, let me start out my remarks by paying tribute to a truly great Nebraskan who was written up across the Nation and particularly in an Omaha World Herald story as of yesterday with regard to the very tragic, major Amtrak disaster in Alabama a few days ago. I make reference to a story in the World Herald of September 23. I ask unanimous consent that at the conclusion of my remarks the entire article be printed in the RECORD.

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

(See exhibit 1.)

Mr. EXON. Mr. President, I would simply note the headline of the story: "Omahan Leads Survivors Out of Trapped Rail Car." It goes on to say that Michael Dopheide said he had no choice. "If the mostly elderly people trapped in the Amtrak rail car were to survive, he would have to act."

It goes on to tell then what he did and how he acted and how he saved many, many lives. The story also recites the fact that many of the survivors stayed at a motel not far from the tragedy and one after another came up to this outstanding Nebraskan and thanked him for saving their lives.

I thought it was particularly interesting, Mr. President, and I wish to quote three short paragraphs from that story:

> There was never any thought of escaping himself and not helping the others, Dopheide said. The values that he gained at Boys Town in Omaha guided him, he said.
>
> "It was a natural thing for me to do," Dopheide said.
>
> "You know, it's the basic values from there," he said. "You know the motto: He ain't heavy, father, he's my brother. This was like that. I'm going to save them; they are human beings."

EXHIBIT 1

[From the Omaha World-Herald, Sept. 23, 1993]

OMAHAN LEADS SURVIVORS OUT OF TRAPPED RAIL CAR

(By C. David Kotok)

Michael Dopheide said he had no choice. If the mostly elderly people trapped in the Amtrak rail car were to survive, he would have to act.

For 20 minutes early Wednesday in the dark partially submerged train car, the 26-year-old Omaha man searched for an escape route. He could hear the moans of his fellow passengers.

"Someone said, 'Oh, my God! We're going to die!'" Dopheide said Thursday.

The windows were too strong to break out. The hydraulic system was cut, and the doorways were jammed. The crew car ahead had burst into flames. The other coach that tumbled off the trestle into an Alabama bayou was submerged.

Finally, Dopheide found an opening. For more than an hour, he guided people through a broken window—coaxing them to jump the 6 feet into the water and onto debris until help arrived.

Dopheide has found himself in the news media spotlight as a hero of the deadliest train accident in Amtrak's 23-year history.

Forty-four people died when the Sunset Limited, traveling from Los Angeles to Miami, plunged into Bayou Canot on the outskirts of Mobile at 3 a.m. Wednesday.

Investigators believe that a barge lost in the fog struck and weakened a railroad trestle shortly before the train tried to cross it.

The FBI and the National Transportation Safety Board said they found a dented barge near the train wreck, along with damage on a concrete piling supporting the bridge that appeared to match the barge's damage.

By Thursday, Dopheide said, he was feeling euphoric "just to be alive."

At the Mobile hotel where many of the 159 survivors were staying, those Dopheide helped to escape thanked him, saying, "You saved my life."

There was never any thought of escaping himself and not helping the others, Dopheide said. The values he gained at Boys Town in Omaha guided him, he said.

"It was a natural thing for me to do," Dopheide said.

"You know, it's the basic values from there," he said. "You know the motto: 'He ain't heavy, father, he's my brother.' This was like that. I'm going to save them; they are human beings."

Dopheide and his brother, Andrew, went to Boys Town because of disputes in their home, he said.

"I wasn't a ward of the court or anything," he said.

Michael Dopheide graduated in 1985 and spent the summer as a lifeguard at a Boys Town camp. He went on to earn a sociology degree at Benedictine College in Atchison, Kan., a law degree at Thomas M. Cooley in Lansing, Mich., and a master of law and taxation degree from DePaul University in Chicago.

When he boarded the train Sunday in Los Angeles, Dopheide expected an adventure. He had read an article on the transcontinental train. Evi Dopheide, his sister and an Omaha travel agent, booked the trip for him.

"He loves to travel," Ms. Dopheide said. "He's a free spirt."

Dopheide had planned to go to Frankfurt, Germany, from Miami. The train wreck changed his plans. Dopheide now is planning to return to Omaha in a day or two.

Since the accident, Dopheide has been besieged by reporters.

"It's a madhouse," he said in a telephone interview from his hotel room.

He spoke of his fears as he stumbled and groped without his glasses before finding the one broken window that provided the escape hatch. When he first dived into the water, he said, he realized that it was coated with spilled diesel fuel.

The immediate danger was the coach filling with water. But it never submerged. A piece of trestle that broke the window also held the car in place. Smoke and fire from the crew car made it impossible for those in his coach to wait inside the car for help, he said.

Eventually, two tugboats ferried him and the 30 other survivors to safety.

Three people were listed as missing Thursday morning.

Federal officials were trying to piece together how the barge might have struck the bridge.

The barge owner, Warrior & Gulf Navigation Co., said in a statement that the towboat was traveling on the Mobile River when it got lost in the fog and found itself in the bayou.

"We don't yet know accurately what happened in this incident, but we have been, are and will continue to participate with all of the agencies seeking to resolve the questions," said Nicholas J. Barchie, company president.

The Associated Press contributed to this report.

UNIVERSAL HEALTH CARE

Mr. EXON. Mr. President, I have been listening with great interest to my friend and colleague from Nebraska discussing the health care matter.

It seems to me that the words I have just quoted from the story in the Omaha World-Herald have a real part to play to understand the problems we face as a Congress in passing some type of universal health care. Certainly my colleague from Nebraska, a graduate from the University of Nebraska in pharmacy, has been studying and leading the charge on this cause for a long time. I listened with interest to his remarks recently concluded.

I simply say, Mr. President, that I join with others, as I did immediately after the President's address on Wednesday night, in saluting the President of the United States for having the courage, the political courage, if you will, and the wisdom to outline for America his views as developed under the talented leadership of the First Lady and the strong hand of the President of the United States to come to grips with the problem of national health care that we have put off for far too long.

I, too, note, Mr. President, that the battle lines are being drawn. We and the people of the United States are going to be barraged, and I think it will be probably the largest barrage—by television commercials, talk show hosts, and sniping—we will ever witness either before or probably after on a major political move that must be made. I hope and I plead that rather than just tearing apart and denouncing personally the President of the United States, the First Lady, and the administration for coming to grips with the situation that others have put off, we recognize and realize that, first, in the view of this Senator, it is not a perfect plan and it needs some changes. But I hope we can have an intelligent dialog, Mr. President. I hope we will not have to come to nearly a clash of arms, as we experienced on the recent deficit reduction and tax bill that passed this body.

However, I say as one who has been involved in the Government and political processes for a long, long time that unless we can elevate the discussion to give and take which is bound to follow as we go through weeks and months of testing, suggesting, cooperating, we will not come up with a workable national health care plan. I think we can do it, and we can do it constructively. Or we can do it destructively. Some of the things that I have seen and heard thus far by those who are launching, in my view, a personal attack on the President of the United States and his motives are not going to bode well, I suggest, for coming up with a way to solve the health care problems of this Nation.

I noticed with interest some of the health care costs that my friend and colleague from Nebraska just cited. There have been many horror stories. The problem is that these things are going on today. The fact is that health care costs of America have gotten completely out of hand. At the same time, we have moved forward as no other nation to come up with new ideas, new concepts, and sensational results with regard to improving the health care of people.

Now comes a question, Mr. President, as to how are we going to pay for it and how are we going to accomplish this without once more creating a huge Federal bureaucracy which probably will get more in the way of a successful health care plan than promoting it.

I simply emphasize though, that this is a time not unlike those days in the early 1930's, when another courageous political leader, Franklin Roosevelt, had the courage to come up with a Social Security system. While I was not old enough at that time to remember all of it, I have read about it, and I cannot help but notice the similarity to the viciousness of the attacks that are being launched against the program outlined by the President the other evening.

I would say to all, those who are strongly supportive of the President's plan and those who are strongly against the President's plan, or the basic message, at least, and thrust of what he is trying to get done, that I think this is the time to try to come together. I have been very much impressed by many of the statements made by the leader of the minority in the U.S. Senate, Senator DOLE; Senator CHAFEE; and others. I say no more because I would be bound to leave out somebody that I should have mentioned. But I have been very much impressed with what they have said and the suggestions that they have made, taking up, I think the very sincere pledge that was clearly enunciated by the President of the United States last Wednesday night when he said: These are the six principles that we have to have, and that I will not compromise from, while recognizing and realizing that the plan is open to compromise and suggestion from the other side.

Contrasted with that, though, was the official response from some of the Republican leadership around the United States. I thought that the Republican response was snide. I thought it was unreasonable. I thought it was of an extremely partisan and political nature and approach. But it was all sugarcoated. It was all sugarcoated, Mr. President, with statements such as: We know something has to be done.

Yes, something has to be done. And I will simply repeat the words that I just quoted from the Omaha World story by the Nebraska Herald.

We should remember, as Americans, what he said then and what has been a model that most Americans know about from our famed and wonderful Boys Town, located in Nebraska; that is the message I think that all of us should recognize and realize as we look forward to some kind of a health care plan that I predict will eventually be passed and signed by the President. And that is: He ain't heavy, Father; he's my brother.

I simply say, Mr. President, that our brothers and our sisters around this land of ours are in trouble. This land is going to be in trouble trying to carry out, I think, the ultimate promise that we all have made, and expect to be fulfilled, with a better life for the future. But unless we can change the escalating costs of the health care system and figure out a better way to finance it than we have had in the past few years, it is all going to come crashing down around our heads because it seems to me that most of us would fundamentally agree that every American is entitled to some safety, while recognizing that each of us have our own responsibilities as individuals and heads of families and members of families. We have to recognize that it is a heavy load. But we can carry it.

In closing, Mr. President, I just appeal once again for understanding, for compromise. Certainly, the President of the United States, who far too many in this country have come to detest for reasons that I cannot quite understand—it seems to me we should be able to recognize and realize that we do not always agree with what other people say and do; but do we have to detest them? Do we have to criticize them to the point that you are almost saying that that individual is not sincere or that individual does not know what he is talking about? No. The President of the United States knows what he is talking about. He is clearly a leader in this area. Whatever plan we eventually pass will bear the mark of Bill Clinton, the President of the United States.

I am sure that he is willing to compromise. In discussions that I have had with Mrs. Clinton and the President on this, they are only going to insist on us following the six principles for health security for all Americans, and are open to suggestions for things that we can do.

I, too, Mr. President, have some concerns about the numbers, as to how we are going to pay for all of this. But I am not saying, certainly, as some have, that we are in fantasyland. I am not saying that the President of the United States is not sincere. He may be mistaken in his numbers. I and others will be crunching those numbers to try to find some way out if we do not agree with them. But if we do not agree with those numbers, that does not mean that we have an excuse to vote against the plan. No.

We have an obligation, Mr. President, to stand up and say: This is how we might be able to do it better, Mr. President. And if we can convince the President of the United States that we are working as a team, together, Democrats and Republicans alike, then I am confident the President of the United States will say, "Well done."

Let us get on with the job.

I would simply say, Mr. President, that one of the concerns that I have about the plan is that it may be going too far, and it may be eliminating, by the way it is presently fashioned, one way to contain costs or to help share the costs that for the most part I think is pretty much eliminated by the plan as I understood it, as described by the President and the material from the administration that I have read.

I simply say that if we want to devise some ways without raising the deficit and the national debt of the United States up further, and still accomplish what most of us think would be a reasonable end, we should be talking about blending in some type of private insurance purchases that people can and should use to provide most of their own funds with regard to universal coverage.

While the insurance industry has been under sustained attack, and while I agree that the insurance industry of America does not have the brightest record with regard to controlling health costs in the past, I think the insurance companies of the United States of America got caught up in this whole push for better and better things, more expensive techniques, more expensive equipment to provide the best in care for Americans. That got out of hand.

I still say that I do not believe the insurance industry of America should be the "whipping boy." I believe that the leaders of many of those companies can be brought in, if we will listen to them, and at least consider their suggestions on how the insurance industry might be able to help and not hurt, and might be able to provide a way of continuing a measure, at least, of private insurance. That, I think, might fit in very well, without deviating from the six principles that the President laid down very clearly the other night.

I only cite, Mr. President, that back in those days of the early 1930's, when President Roosevelt came out with Social Security, there was a hue and cry by every life insurance company in America, when Social Security was indeed passed into law, that it would be the end of the life insurance industry in America. Some end. Basically as a result of Social Security, as something to build upon, we have seen, since 1930, the greatest growth in the insurance industry and life insurance ever.

So I think maybe some of the insurance people today should take a lesson from the mistakes and false statements that they brought forth back in the 1930's regarding Social Security. I do not mean to imply that this is not a complicated matter. I do not mean to imply that the insurance companies, and everybody in it, are going to be as reasonable and cooperative as many of us would like. I do mean to say, Mr. President, that if there is one way at least where we could cut down the Government costs of this plan, it would be to take a look at what the responsible leaders of the insurance industry are suggesting now and have been suggesting in the past.

So I say, as one U.S. Senator, that I want to work with the insurance industry, and I want to try and convince a majority of the Senate that maybe there is a place that we all can agree that the insurance industry could fit into. Maybe it will not work; maybe it will. I think it is worthy of consideration. I do not intend to be a part of any insurance individuals, or any insurance companies, who take a flamboyant, partisan approach to this proposition and start demanding. The insurance industry is in no position, in my view, to demand anything today in America. But I hope all of us working together—coming together, if you will, Mr. President, taking all of the best brains and understanding and techniques that we can, bringing the medical profession and the insurance industry and Government together, working together, hopefully on a basis of give and take, legitimate debate and discussions, as opposed to attack ads on television, which I suspect we are going to see a great deal of.

I do say, Mr. President, that this is a time to come together for the good of America now and in the future, for our children and our grandchildren. I simply say that, yes, indeed, as Michael Dopheide reminded us yesterday, this is a time when we must say to each and every one of us that we each have a role to play, and there are a lot of people out there. They aren't heavy, they're our brothers.

I call for compromise; I call for intelligent discussion; I call for an abrupt end to what I think is the attack mode that is being developed in some quarters against the President's proposals that I think, as imperfect as they might be, were extremely sincere.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. Who seek recognition?

STRENGTHENING THE UNITED STATES ROLE IN U.N. PEACE OPERATIONS

Mr. PELL. Mr. President, yesterday Ambassador Madeleine Albright spoke before the National War College, outlining some of the fundamental questions to be considered in regard to U.N. peacekeeping operations. One of the issues she raised concerns putting U.S. troops under U.N. command.

Lately, the issue of command and control of American troops in multilateral operations has received a great deal of attention. Many have attacked the concept, fearing that American troops would be endangered or weakened by being subject to multilateral command. This, I believe, is the wrong debate.

Concern should not be over who commands American troops but whether or not the military operation has a clear objective, is competently commanded, and is sufficiently supported with personnel and material.

Ambassador Albright addressed this issue when she said:

This Administration believes that whether an operation is multilateral or unilateral, whether the troops are U.S. or foreign, young men and women should not be sent in harm's way without a clear mission, competent commanders, sensible rules of engagement, and the means required to get the job done. The credibility of U.N. peace operations should hinge not on how many missions there are, but on the quality of planning, the degree of professionalism demonstrated and the extent to which mission objectives are achieved.

Those who complain about the involvement of U.S. troops in U.N. peacekeeping operations should take note of several basic considerations:

First, no nation gets drafted by the United Nations to provide troops. Nations volunteer their forces.

Second, as Ambassador Albright made clear, any peacekeeping operation that involves a substantial American military presence will have an American commander. In Somalia, Admiral Howe is the Secretary General's representative. In Bosnia, where France contributes the bulk of military forces, U.N. forces are commanded by a French general.

Third, no nation, especially the United States, will abandon the option of acting independently if it perceives its national security is directly threatened. By working within the United Nations, the United States is not giving up its sovereignty but is seeking to enhance it, by leveraging our interests multilaterally.

It is for this reason that it is critical that the United States support efforts by the United Nations to improve management of peacekeeping operations. The need to reform United Nations efforts in this area is obvious. I recognize that need as much as anyone.

I served as a member of the United States Commission on Improving the Effectiveness of the United Nations whose report, "Defining Purpose: The U.N. and the Health of Nations," was recently released. The staff of the Senate Foreign Relations Committee at my direction completed in August an extensive review of U.N. peacekeeping operations. Their report, "Reform of United Nations Peacekeeping Operations: A Mandate for Change," has also been published.

Both these reports support the concept of establishing a U.N. rapid reaction force and negotiating stand-by arrangements with member countries to provide additional reinforcements if necessary.

Both these reports acknowledge the need to undertake extensive reform of current U.N. procedures to ensure effective peacekeeping operations.

It has always been fashionable to attack the United Nations. Lately the attack has focused on U.N. peacekeeping operations, charging that they are ineffective, inefficient, and incapable of preserving peace. Those attacks ignore the severe pressures and greater responsibilities being entrusted to U.N. peacekeeping forces.

Just 5 years ago, in 1988, U.N. peacekeepers were awarded the Nobel Peace Prize. Since the, 16 new peacekeeping operations have been created—more than all those created in the four decades from 1948 to 1988.

We should not forget that the United Nations entire budget for peacekeeping operations was $364 million 5 years ago. The annual budget today is nearly $4 billion.

The United Nations has also grown in terms of population, in terms of states, and in terms of problems. In 1945 the United Nations had 50 members. Today, it has 184. And the spread of modern weapons systems has made conflicts more violent and devastating then ever before in human history.

The spread of internal and external armed conflicts has had three effects on the United Nations ability to restore peace. As the recent study by my staff observed:

First, U.N. resources are stretched to the breaking point. Because of budget restrictions, the U.N. has the same number of permanent staff committed to peacekeeping operations as it had in 1987.

Second, with limited experience with internal conflicts and in using military force to impose, rather than just monitor, peace settlements, the U.N. has had to design with limited resources new patterns for resolving conflicts.

Third, peacekeeping operations are increasingly being replaced by more robust peacekeeping operations.

The United States has neither the resources, or the will, nor the need to be the world's policeman. But the United States, as does every state, has a national security interest in world peace. The United Nations permits the world community to act as one of the benefit of all without requiring the United States to act alone.

Mr. President, in 1945 in San Francisco I served on the staff of the commission that drafted some of the key peacekeeping provisions of the United Nations Charter. For over 40 years of the cold war it was not possible to bring those provisions into effect as envisioned by the Charter. The time has come, I believe, for the United States as the world's leading power to give a vote of confidence to the United Nations by participating fully in U.N. peacekeeping operations.

I ask unanimous consent that the speech by Ambassador Albright be printed in the RECORD at this point.

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

AMBASSADOR TO THE UNITED NATIONS MADELEINE K. ALBRIGHT, REMARKS TO THE NATIONAL WAR COLLEGE, SEPTEMBER 23, 1993

To me, this auditorium—this military institution—is the right place to discuss the Clinton Administration's foreign policy goals and address that most crucial of topics: the use of military force in the post Cold War world. I believe that our national dialogue must ensure that this nation's foreign policy is clearly understood by those who might be asked to risk their lives in its behalf. And policy-makers must not only explain but listen—take the time to hear the concerns and answer the questions of our military personnel.

For almost half a century, whenever we talked foreign policy, we did so within a Cold War context. A whole new vocabulary was established of containment and deterrence, throw weights and missile gaps, subversion and domino theories. And U.S. military action was almost always related—directly or indirectly—to the Soviet threat. The world was a chessboard, and the two superpowers moved the pieces.

But then, our chess rival left the table. The game has changed and the rules to the new one are still being written. Most of us do not for a minute mourn the Cold War era. But now there are those from all parts of the political spectrum for whom the new world is more confusing than gratifying. They can conceive of no threats to America that are not Cold War threats. They look at that empty chair on the other side of the chess table, and counsel us to set back, put our feet up, and lose interest in the outside world.

Obviously, America is safer and more secure than it was. Anyone who feels nostalgia for the Cold War ought to have his or her head examined. But anyone who concludes that foreign adversaries, conflicts and disasters do not affect us misreads the past, misunderstands the present and will miss the boat in the future.

Indeed, President Clinton has talked often about the similarity between this historical moment and the early days of the Truman Administration immediately following World War II. Then, as now, a new President saw a dramatically altered world, sought to redefine America's interests in that new world, and acted to protect those interests from a rising tide of isolationist thinking. And then, as now, the President's decisions were based on an analysis of new threats, a recognition of our enduring interests, and the imperative of engagement.

So what are these new threats; and what should be America's response?

The Cold War is gone, but weapons of mass destruction are not. The possible aggressive use of such weapons remains perhaps the greatest threat to international peace and our security. Revelations about Iraq's weapons programs should have shocked even the most complacent among us. Beside Iraq, serious proliferation threats exist from states that fear the future, like North Korea; states that have fallen prey to the extremes of intolerance, such as Iran; and states that are engulfed by regional tension, such as in South Asia.

Beyond the destructive weapons, there are the destructive hatreds. Less than two months ago, the FBI apprehended a group with apparent foreign connections planning to blow up the building in which I work. The recent Middle East agreement is sure to enrage further those whose insecurities and extremism have made them blind to the promise of peace and open to the use of terror. The terrorist threat is aggravated by advances in technology and by the availability of weapons of every description. I know we remain vulnerable to terrorism; and I know it can affect our most vital of interests—our fathers, mothers, spouses, daughters and sons.

We also face increasing ethnic and subnational violence. Wherever we turn, someone is fighting or threatening to fight someone else. These disputes may be far removed from our borders, but in today's global village, chaos is an infectious disease. Although violence in a failed state such as Somalia may seem trivial to some, when combined with unrest in Sudan, Rwanda, Liberia, Bosnia, Georgia and so on, our attention and our interests—whether political or humanitarian—cannot help but be engaged.

When a democratic government was ousted in Haiti, drug trafficking skyrocketed, repression increased, and the risk of a massive new influx of refugees to America grew. In Somalia we have indications that a tactical alliance may be forming between Aideed's faction, terrorists based in Sudan and the Government of Iran. The current violence in Azerbaijan threatens to bring Turkey, Iran and Russia into conflict in ways that could well threaten our interests directly. And the possibility remains that the war in former Yugoslavia will spread to neighboring regions and nations, swelling further the flow of refugees, straining the economic vigor of Europe, and threatening the security of key European allies.

There is also a moral dimension to these conflicts, dramatized most hauntingly by the brave people of Sarajevo and Mostar, but embodied, as well, by the millions of others who suffer the depredations of violence off camera, out of sight, every day.

Obviously, neither we nor anyone else can right every wrong; nor would it make sense for us to try; but let us never become so preoccupied with day to day concerns that we lose sight of our own most basic interest, which is the preservation not simply of American leadership, but of American purpose.

Ten days ago, in Washington, I attended a lunch to celebrate the signing of an agreement between Israel and the PLO—a day I will remember all my life. I will remember, in particular, a comment by Israeli Foreign Minister Shimon Peres about America's purpose. When the history books are written, he said: "Nobody will really understand the United States. You have so much force and you didn't conquer anyone's land. You have so much power and you didn't dominate another people. You have problems of your own and you have never turned your back on the problems of others."

We should be proud that so much of the world sees America the way Foreign Minister Peres sees America.

For our leadership today rests on the same solid foundation of principles and values—the same enlightened self-interest—that has made service to America from Valley Forge to Desert Storm a badge not only for courage, but of honor.

As Secretary Christopher and National Security Advisor Tony Lake have said this week, American foreign policy has four overarching goals: first, to strengthen the bonds among those countries that make up the growing community of major market democracies; second, to help emerging democracies get on their feet; third, to reform or isolate the rogue states that act to undermine the stability and prosperity of the larger community; and fourth, to contain the chaos and ease the suffering in regions of greatest humanitarian concern. Taken together, our strategy looks to the enlargement of democracy and markets abroad.

To achieve these goals, some say we must make rigid choices between unilateral and multilateral, global and regional, force and diplomacy. But that is not true. We have the flexibility in this new era to steer a reasoned course between the counsels of those who would have us intervene everywhere and those who see no American purpose anywhere. We have a full range of foreign policy tools with which to work and we will choose those that will be most effective in each case.

As America's permanent representative to the United Nations, I have made it clear that we remain committed to the cause of peace and to the principle of resolving conflicts without violence whenever that is possible.

The end of the Cold War has provided us with new and important opportunities in this regard. Cooperation, not confrontation, is now the norm at the United Nations Security Council. As a result of our assertive diplomacy, we have been able to muster global support for sanctions against Libya for shielding the alleged saboteurs of Pan Am 103, against Iraq for its continued failure to meet its obligations following the Persian Gulf war, and against Haiti prior to the agreement reached recently to restore democratic rule. The use of sanctions has also arisen in the case of Angola, where our goal is to encourage an armed opposition group to abide by the results of a free election; and, of course, in Serbia, where they have drastically weakened the economy of an aggressor state.

Diplomacy will always be America's first choice; and the possibilities for diplomatic achievements today are ample. But history teaches us that there will always be times when words are not enough; when sanctions are not enough; when diplomacy is not enough.

The foremost mission of our government—its constitutional duty—is to protect our nation's territory, people, and way of life. We cannot fulfill that mission unless we have both the capacity to use force effectively and the will to do so when necessary. When neither our ability to fight, nor our resolve to fight are in doubt, we can be most certain not only of defeating those who threaten us, but of deterring those who are tempted to take such action.

Under the leadership of Secretary Aspin, I am confident that we will maintain military forces that are modern, versatile, ready and strong. It is DOD policy to maintain a military capable enough, in concert with local allies, to fight and win two major regional wars. The existence of such a force—and the credible threat to use it—is the surest way to prevent our interests from being threatened in the first place.

For years, a debate has raged about whether or not it is necessary to spell out a set of specific circumstances—a checklist—describing when America will or will not contemplate the use of military force.

This Administration has wisely avoided the temptation to devise a precise list of the circumstances under which military force might be used, or of repeating the State Department's mistake concerning Korea forty-three years ago when it defined too narrowly the scope of America's interests and concerns. Too much precision in public, however well-intentioned, can impinge on the flexibility of the Commander in Chief, or generate dangerous miscalculations abroad.

But let no one doubt that this President is willing to use force unilaterally when necessary.

Last June, the President ordered a strike against Saddam Hussein's military intelligence headquarters in response to Iraq's plot to kill former President Bush. We didn't seek anyone's permission to carry out that raid; we didn't ask anyone's help; we did it using our own forces exercising our own right of self-defense. The President said in his inaugural speech that America would act militarily with others when possible, but "alone when we must." That commitment was true then; it is true today.

In the future, if America's vital economic interests are at risk, as they were in the Gulf; or the lives of American citizens are in danger, as they were in Panama; or if terrorists need to be tracked down, as when President Reagan ordered the use of force to apprehend the hijackers of the Achille Lauro; President Clinton will not hesitate to act as a Commander in Chief must act to protect America and Americans.

The President's inaugural statement also indicated that we support the use of force on a multilateral basis when it is in our interests to do so. As Secretary Christopher put it, we see 'multilateralism as a means not an end." No one understands the potential advantages of multilateralism better than the United States. That's why we proposed NATO and helped create the United Nations. The underlying thesis of the post World War II strategy of containment, the legacy of such leaders as President Truman, General Marshall and General Eisenhower, was that American strength is made even greater when cemented by strong alliances and joint endeavors with other nations in pursuit of common objectives.

The history of the Persian Gulf over the past three years is a classic modern example of this. I know that some of you here today helped to plan and execute operations during that war, including perhaps the most decisive air operation in history, along with the complex passage to the front lines of large combat units from different countries with different languages. I salute you for your skill and professionalism in this most effective coalition campaign. In the Gulf, American leadership benefitted greatly from the support of other states before, during and after the war. UN sanctions strengthened our cause politically, allied support spread the burden militarily and contributions from Arab states, Germany and Japan reduced the costs of the war and its aftermath financially.

The end of the Cold War has opened up another avenue for multilateral cooperation that had long been limited by the U.S.-Soviet rivalry—and that is United Nations peacekeeping. In recent years, there has been a dramatic increase in requests for UN assistance in resolving ethnic and other conflicts. The statistics by now are familiar: more peacekeeping operations in the past five years than in the previous 43; a sevenfold increase in troops; a tenfold increase in budget; a dramatic, but immeasurable increase in danger and complexity.

At their best, UN peacekeeping operations can be very effective. Obviously, they cannot

be a substitute for fighting or winning our own wars, nor should we allow the existence of a collective peacekeeping capability to lessen our own military strength. But UN efforts have the potential to act as a "force multiplier" in promoting the interests in peace and stability that we share with other nations.

As I said earlier, territorial disputes, armed ethnic conflicts, civil wars and the total collapse of governmental authority in some states are now among the principal threats to world peace. The UN is playing a constructive role in many such situations by mediating disputes, obtaining ceasefires and in some cases, achieving comprehensive peace agreements. This often requires the presence of UN peacekeepers or observers, either to help arrange a peace or to help keep it.

Past UN peace missions have achieved important goals in places as diverse as the Middle East, Namibia, El Salvador and Cambodia. To the extent future peacekeeping missions succeed, they will lift from the shoulders of American servicemen and servicewomen and the taxpayers a great share of the burden of collective security operations around the globe.

Particularly when circumstances arise where there is a threat to international peace that affects us, but does not immediately threaten our citizens or territory, it will be in our interests to proceed in partnership with the UN or other appropriate groupings to respond to the threat involved and hopefully eliminate it. In such cases, we will benefit not only from the burden-sharing aspects, but from the ability to invoke the voice of the community of nations in behalf of a cause that we support.

At the same time, as America's representative to the UN, I know that UN capabilities have not kept pace with its responsibilities—and I have discussed this problem on many prior occasions. Those who support the goals of the UN do it no favors if they fail to speak out when its reach begins repeatedly to exceed its grasp. The UN emerged from 40 years of Cold War rivalry overweight and out of shape. Today, UN peacekeepers need reformed budget procedures, more dependable sources of military and civilian personnel, between training, better intelligence, better command and control, better equipment and more money. These limitations are not inherent; they are correctable; and the Administration is doing its part to see that they are corrected.

We believe, for example, that the UN decision-making process on peacekeeping must be overhauled. When deciding whether or not to support a UN peacekeeping or peacemaking resolution, we are insisting that certain fundamental questions be asked *before*, not after, new obligations are undertaken. These questions include the following:

Is there a real threat to international peace and security whether caused by international aggression, or humanitarian disaster accompanied by violence, or by the sudden, unexpected and violent interruption of an established democracy?

Does the proposed peacekeeping mission have clear objectives and can its scope be clearly defined?

Is a ceasefire in place and have the parties to the conflict agreed to a UN presence?

Are the financial and human resources that will be needed to accomplish the mission available to be used for that purpose?

Can an end point to UN participation be identified?

These questions illustrate the kind of consistent criteria—which do not now exist—that we are proposing that the UN take into account when contemplating new peacekeeping operations. And we are preparing guidelines for American participation that will promise greatest assistance in specialized areas such as logistics, training, intelligence, communications and public affairs.

And although the Administration has not yet fully completed its review of our policy towards UN peacekeeping, I can assure you of one thing. This Administration believes that whether an operation is multilateral or unilateral, whether the troops are U.S. or foreign, young men and women should not be sent in harm's way without a clear mission, competent commanders, sensible rules of engagement, and the means required to get the job done. The credibility of UN peace operations should hinge not on how many missions there are, but on the quality of planning, the degree of professionalism demonstrated and the extent to which mission objectives are achieved.

America under President Clinton will be a strong supporter of the UN. We take seriously President Truman's pledge to the first UN General Assembly that America will work to help the UN "not as a temporary expedient, but as a permanent partnership."

At the same time, we understand that there are limits to what that partnership can achieve for the United States. Adlai Stevenson used to refer to the UN as the "meeting house of the family of man", which it is, but it is a very large family. It is the ultimate committee. It reflects the broadest possible diversity of viewpoints. As Americans, we command enormous influence there because of our power and the power of our ideals. But we cannot rely on the UN as a substitute guarantor for the vital interests of the United States. The Berlin Wall would be upright today if we had relied on the UN to contain Communism. That ceremony on the front lawn of the White House two weeks ago would never have taken place if America had subcontracted to others the job of helping Israel to survive.

Sending American military forces into dangerous situations is the most difficult decision any President can make. History teaches us that public support for such decisions is essential and that, in each such circumstance, Americans are entitled to the facts.

The Administration has welcomed and takes very seriously the Senate's recent request to review our policy in Somalia. We have also begun, and will continue, a regular series of close consultations with the Congress and a dialogue with the public on our policy towards Bosnia.

I have spoken at length in public speeches and Congressional testimony about both issues, and both are about to enter a new phase. Bosnia may be witness to a negotiated peace that will present the international community with its most daunting peacekeeping task ever. Yesterday, the Security Council approved a Resolution setting out clearly that the UN's principal goal in Somalia is to bring about the political reconciliation of the long suffering country, in part through the establishment of basic civic institutions, such as a functioning judiciary and police.

In the weeks ahead, we will continue our consultations on Somalia, Bosnia and the full range of national security and peacekeeping issues.

Now, let me summarize my message here today.

The world has changed and the Cold War national security framework is now obsolete. The Clinton Administration is fashioning a new framework that is more diverse and flexible than the old; a framework that will advance American interests, promote American values and preserve American leadership. We will choose means to implement this framework on a case by case basis, relying on diplomacy whenever possible, on force when absolutely necessary. If American servicemen and servicewomen are sent into combat, they will go with the training, the equipment, the support and the leadership they need to get the job done.

Recognizing that global solutions are required to global problems, the tools that America will use to carry out its foreign policy will be both unilateral and multilateral. Other nations and institutions can and should be asked to bear a substantial part of the burden of advancing common interests; we have strong reason to help build a United Nations that is increasingly able and effective; but America will *never* entrust its destiny to other than American hands.

Finally, in keeping with a bipartisan tradition that stretches back a half century, America will remain engaged in the world.

It was fifty years ago this month that the Republican Congressional leadership, mindful of what America's periodic tendency towards isolationism had done to the League of Nations, first went on record in support of an international organization "to prevent military aggression and attain permanent peace." Senator Arthur Vandenberg sponsored that resolution, in his words, "to end the miserable notion . . . that the Republican party will return to its foxhole when the last shot in this war has been fired and will blindly let the world rot in its own anarchy."

Under the Clinton Administration, our nation will not retreat into a post Cold War foxhole. Under the President's leadership, we will be called upon to work together, Republican and Democrat, civilian and military, public official and private citizen, to protect America and build a better world.

IRRESPONSIBLE CONGRESS? HERE IS TODAY'S BOXSCORE

Mr. HELMS. Mr. President, the Federal debt stood at $4,395,747,736,884.79 as of the close of business on Wednesday, September 22. Averaged out, every man, woman, and child in America owes a part of this massive debt, and that per capita share is $17,113.47.

LIGA KATOLICKA: THE CATHOLIC LEAGUE FOR RELIGIOUS ASSISTANCE TO POLAND

Mr. RIEGLE. Mr. President, I rise to pay tribute to the Liga Katolicka or the Catholic League for Religious Assistance to Poland. Officially founded 50 years ago, this Polish-American national group was developed in the rectory of St. Hyacinth Parish in Detroit's old Poletown shortly after the commencement of World War II. At that time, Bishop Stefan Woznicki summoned religious leaders throughout the region to discuss the possibility of creating a nation wide organization to assist Poland. Due to its leadership in the creation of Liga Katolicka, the Archdiocese of Detroit was selected as

the first seat of the ambitious program.

At the time of the group's creation, Nazi and Soviet forces were destroying the Polish nation, forcing tens of thousands of refugees to flee their homes. Later, as the darkness of communism and Soviet occupation settled over the land, Liga Katolicka represented a focal point for the hopes and dreams of millions of Poles in the effort to secure a post-Soviet future for Poland and its church.

After the initial assembly in Detroit, Liga Katolicka held a secondary meeting in Buffalo, NY, followed by its first convention in Cleveland, OH, in September 1944. Almost immediately, approximately 300 parishes joined the Catholic League, collecting $100,000 for Polish assistance. The organization's first directors spoke frequently of the charity of the sons and daughters of Poland and indicated that their enthusiasm, dedication, and sacrifice represented a true act of generosity and humanity.

Liga Katolicka has continued to support the church of Poland as well as the philosophies of independence and freedom that Polish people hold so dear. Offering strong backing to the Solidarity movement and the flowering of the post-cold-war church in Poland, Liga Katolicka has had a significant impact upon events in central and Eastern Europe. It has inspired both religious and lay leaders and has provided funds to promote a post-Communist educational system in Poland.

The success of Liga Katolicka has gone far beyond the hopes and dreams of those who gathered in the rectory of St. Hyacinth Church in Detroit. The State of Michigan takes special pride in recognizing those who created and have worked for the Catholic League for Religious Assistance to Poland. For 50th years they have shown not only charity and concern but also a spirit of perseverance that has brought a great deal of positive change to the world.

On the occasion of its 50 anniversary, I would like to offer my best wishes to the leaders and members of Liga Katolicka. I welcome you to this important celebration in the city of Detroit. Zycze wszystkim pomyslnosci w waszej dalszej tworczej pracy. Sto Lat!

HUD DEMONSTRATION ACT OF 1993

Mr. SARBANES. Mr. President, last night the Senate passed H.R. 2517, the HUD Demonstration Act of 1993, with an amendment offered by myself, Mr. RIEGLE, Mr. D'AMATO, and Mr. BOND. I would like to thank my cosponsors for the hard work that they put in to help usher this bill through the Senate. This bill is truly the result of bipartisan cooperation.

H.R. 2517, as amended, incorporates three bills that were previously passed by the House—H.R. 2517, H.R. 2669, and H.R. 2531.

First, I should note that, while H.R. 2517 is a modest bill, its ramifications are far reaching. This bill—the first housing legislation passed under the new administration—will allow the Department of Housing and Urban Development Secretary Henry Cisneros to begin the process of implementing his agenda: addressing the unfortunate problems confronting the Department, and reinventing the Department's ability to deliver programs to the intended beneficiaries—American citizens. In this bill, the Senate has allowed the Department to test several new approaches, many of them public/private partnerships, toward fulfilling its mission in the housing and community development arena. The results of these programs could produce models to be replicated in future years.

The bill includes an innovative homeless demonstration that holds promise for creating new models to finally get the problem of homelessness under control. The program will allow the Secretary to enter into partnerships in cities with large homeless populations in order to leverage cooperation among the sometimes fractious services providers in those cities. It will allow HUD to test new approaches to treating the spectrum of problems associated with homelessness. And, it will allow the Department to fund and evaluate other innovative approaches generated by local governments and nonprofit groups.

H.R. 2517 also includes two new initiatives that will leverage significant private resources to further HUD's goals. First, the National Community Development Initiative [NCDI] will access foundation resources—three times the Federal appropriation—to provide capacity building assistance to nonprofits engaged in housing and community development.

The Section 8 Community Investment Partnership Program also leverages significant private investment—projections estimate that the $100 million in Federal project-based section 8 rental assistance will attract approximately $660 million in pension fund financing for 1,000 to 3,000 affordable housing units. This innovative initiative will provide direction to pension funds that are interested in participating safely and profitably in housing, but only if such housing passes stringent investment-quality scrutiny. No pension fund can invest unless ERISA standards governing fiduciary responsibility and fiscal prudence are met. The bill's safeguards do not stop at ERISA, however. The bill ensures the long-term success of these ventures by providing continuous income streams through project-based section 8 rental contracts to owners, and by requiring the Secretary to set standards ensuring that these loans can be securitized. To the extent that the loans are securitized by Fannie Mae and Freddie Mac, the participating pension funds will be purchasing securities that are rated triple A by the major credit rating agencies.

The bill also includes several other valuable and time-sensitive provisions. For example, the bill prevents the precipitous decline in fees paid to public housing authorities under the section 8 rental assistance programs. On October 1, 1993, HUD will put into effect a new schedule for calculating these fees. For more than 79 percent of the small public housing authorities and 50 percent of the large public housing authorities, the fees will decline, in many cases significantly, from 1993 levels.

For public housing authorities whose fees are increasing under the new schedule, the bill caps the increase to 3½ percent above 1993 levels. For most of these public housing authorities, the increase in fees will roughly match general increases in cost of living and rental rates in the area. The bill capped these fees without prejudice, allowing fees to increase above this level if the amounts of those increases are provided in advance in an appropriations act.

This issue points out the need for reform in the calculation of section 8 fees. The Housing Subcommittee plans to reevaluate the fees paid under the section 8 program as part of a broader effort to consolidate the section 8 rental assistance programs—vouchers and certificates—in the 1994 reauthorization process. The Housing Subcommittee will request analysis by HUD of the adequacy of section 8 fees in light of some studies suggesting that the current fees are too high, but also recognizing that Federal mandates for services and procedures that exceed the responsibility to provide housing services impose additional costs on the public housing authorities.

H.R. 2517 also extends the term of the Manufactured Housing Commission, which was due to expire on October 1 of this year. The Housing Subcommittee welcomes the work of this Commission in contributing to the process for the 1994 housing reauthorization, and, specifically, in its efforts to assist in modernizing the regulation of manufactured housing.

H.R. 2517 also extends a reciprocity agreement between HUD and the Veterans' Administration that allows the Department to deem VA subdivision approvals for new housing developments as approvals that meet HUD's own standards.

Finally, Mr. President, I would like to note that this bill increases the authorizations for the moving to opportunities demonstration and the FHA and Ginnie Mae programs. We are pleased to be able to pass these authorizations in time for Congress to include funding for these provisions in the 1994 VA/HUD appropriations.

DEATH OF HAROLD T. HALFPENNY

Ms. MOSELEY-BRAUN. Mr. President, I would like to take a moment to pay tribute to the memory of the late Harold T. Halfpenny. Harold was a very dear family friend of a member of my staff, Steven Marchese. Steve tells me that Harold passed away in his sleep last Monday night.

Harold was born in Streator, IL, in 1905. Working nights to pay his way through undergraduate and law school, he graduated from the University of Illinois in 1930. That same year, he founded the firm that today bears the name Halfpenny, Hahn, Roche & Marchese. Harold retired in 1992, after 62 years of service to his fellow man, and the legal profession.

Early on in his career Harold served the State of Illinois as assistant state treasurer. He was consistently active in civic, charitable, and political affairs in my hometown of Chicago and throughout the State of Illinois. He served on the board of directors for many organizations in the Chicago area and appeared before countless congressional committees as a spokesman for small and emerging businesses. In addition, he wrote numerous articles on the legal aspects of distribution, and the impact of State taxation of interstate commerce on small businesses. Harold led the effort to obtain congressional relief, through the passage of the Interstate Income Act of 1959.

During Harold's long and distinguished career, he specialized in helping the backbone of our Nation; small and emerging businesses. He became a major force in helping to establish over 60 national, regional, and local trade associations.

Harold won recognition as a leading legal authority in the automotive aftermarket industry, receiving the industry's leadership award in 1975. He was a recipient of the Distinguished Service Citation from the Automotive Hall of Fame and was honored as a charter member of the Wholesaler-Distributor Hall of Fame in 1987.

Harold was a rare individual. His dynamic drive, combined with his experience and sensitivity toward his neighbor was the hallmark of his career. Harold's death is a great loss to the legal community and to all who had the pleasure to meet him. I would like to take this opportunity to express my heartfelt prayers to Mary, his wife, and their three children, Tom, Mary Joan, and Richard. Harold will be greatly missed, but I hope they, and all whose lives he touched, can take comfort in the legacy he has left behind.

THE RANGELAND REFORM INITIATIVE

Mr. JOHNSTON. Mr. President, earlier this week there was some discussion on the Senate floor regarding a memorandum sent by the Director of the Bureau of Land Management, Jim Baca, to all State Directors of the BLM about the Senate vote last week to impose a moratorium on any changes in the grazing program on Federal lands administered by the Forest Service and the Bureau of Land Management.

The memo was characterized as BLM Director Jim Baca saying to the Senate and to the House "we do not give a darn what you do, we are going to do it our way."

I do not read Director Baca's memo that way. It appears to be a factual description of events and prospects. In order to help Senators understand what is being said, I ask unanimous consent that the full text of Mr. Baca's memorandum be printed in the RECORD.

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

DEPARTMENT OF THE INTERIOR,
BUREAU OF LAND MANAGEMENT,
Washington, DC, September 15, 1993.

MEMORANDUM

To: State Directors.
From: Jim Baca, Director, Bureau of Land Management.
Subject: Rangeland reform initiative.

Last night the Senate voted for a moratorium on the Rangeland Reform Initiative through the Interior Appropriations bill.

The Senate has not historically been supportive of comprehensive grazing reform, so this is probably no big surprise. The House of Representatives, on the other hand, has been and continues to be strongly pro-reform.

To date, the Congress has been unable to agree on any strategy for grazing, and in that gridlock the Administration has moved forward with our proposal. Unless some new consensus develops now, we will continue on the present track.

The Interior Appropriations bill now goes to conference, and we will be having various discussions with House and Senate members, Governors, industry and environmental groups.

Our bottom line is this: we will deliver on grazing reform—both to increase grazing fees and improve our on-the-ground management and regulation of the public range. If the House and Senate can agree how to do that, great; if not, we will be implementing it administratively.

BLM staff are doing an excellent job of developing the EIS and the regulatory framework. Keep up the good work. I'll keep you posted on developments. In the meantime, full speed ahead.

QUENTIN BURDICK

Mr. MOYNIHAN. Mr. President, without comment, for it needs no comment, I ask unanimous consent that an article from yesterday's Roll Call concerning our beloved and esteemed friend, the late Quentin Burdick, be placed in the RECORD.

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

[From the Roll Call, Sept. 23, 1993]

WAS SEN. BURDICK A COMMUNIST SYMPATHIZER?

(By Glenn R. Simpson)

An FBI report dating back to 1959 concluded that the late Sen. Quentin Burdick (D–ND) was once a communist sympathizer.

Burdick's FBI file, obtained by Roll Call under the Freedom of Information Act, contains several documents, dating to the years between 1959 and 1965, that detail Burdick's alleged communist ties in the mid-1940s. Burdick was first elected to the House in 1958.

The information was never made public. But if the findings had been revealed at the time, when Cold War hysteria was rampant and guilt by association with communists was a common tactic, they could well have led to defeat for Burdick in his 1960 Senate bid, and thus, however modestly, changed Senate history.

Instead, the data rested undisturbed in the FBI's archives for decades.

Burdick, who was elected to the Senate in a June 1960 special election to fill the seat of Sen. William Langer (R) after Langer's death, died in office last September at the age of 85. He became chairman of the Environment and Public Works Committee in 1987.

An attorney who was active in the Midwest progressive movement and worked for the liberal National Farmers Union, Burdick apparently first came under FBI scrutiny in 1944 when an anonymous source told the bureau that Burdick had bought a one-year subscription to The Communist on June 22, 1944.

Burdick was a well-known political figure at the time. His father was Rep. Usher Burdick, a popular liberal GOP Congressman, and Quentin Burdick had been the Democratic nominee for lieutenant governor in 1942.

In 1946, the FBI learned, again from an anonymous source, that Burdick's name appeared on a list of subscribers to the Worker, the Communist Party's standard. (At the time, Burdick was waging an uphill and ultimately unsuccessful first bid for Senate.)

Burdick's attendance at the 1949 Progressive Citizens of America convention in Chicago was also noted by the agency, as was the fact that Burdick was a member of the platform committee at the 1948 Progressive Party convention that nominated former Vice President Wallace for the presidency.

All of this information was assembled for red-hunting FBI Director J. Edgar Hoover in January 1959. Burdick has won a House seat the preceding fall in a major upset, becoming North Dakota's first Democratic Representative since the sparsely populated territory gained statehood in 1889.

A week after Burdick was sworn in to his first House term, Hoover ordered the Minneapolis bureau of the FBI to prepare a memo on Burdick's communist ties "which will be suitable for dissemination."

The report contained the allegations about Burdick's subscriptions and also cited remarks a Communist Party member in Minneapolis had made about Burdick. The party member, whose name was censored, "said Burdick was an attorney, supported the Farmers Union, had good relations with the American Federation of Labor, was a big Mason and cooperated with the communist one hundred per cent."

The report also alleged that, in 1945, Burdick "attended a meeting at Fargo, North Dakota with several known CP members for the purpose of forming a Citizens Political Committee."

In addition, "On February 13, in 1945, Quentin Burdick spoke at a meeting at Fargo, North Dakota, attended by members of the Communist Political Association (CPA) where it was concluded that Burdick would draw up a statement of the aims of the CPA." The report states, however, that "Burdick did not indicate that he would accept this assignment."

The report also states that on April 6, 1945, "Burdick was present in Fargo, North Dakota, with CP members when [censored] reported on his trip to a CP national committee meeting which had been held recently in New York City."

No source is cited for the claims about Burdick's attendance at communist meetings, but the information presumably came from some of the FBI's many informants within the party.

On Feb. 13, 1959, a summary of the allegations about Burdick was forwarded by Hoover to Attorney General William P. Rogers under the heading: Quentin Burdick Information Concerning (Internal Security).

"Burdick has not been the subject of a security investigation by the Bureau and our files do not reflect that he is a member of the CP," wrote Hoover. "The files do reflect a close association between Burdick and known CP members in the Minnesota-Dakotas CP District in the period from 1944 to 1946."

A copy was also sent to the deputy attorney general, Lawrence E. Walsh, well-known today as the independent counsel in the Iran-Contra affair.

Two contemporaries and longtime friends of Burdick said this week that they had never heard these allegations against Burdick. However, they said Burdick was accused of having communist sympathies during his 1960 Senate campaign—a nail-biter that he won by only about 1,500 votes—because of his connection to Henry Wallace.

"There was a smear campaign in North Dakota that wasn't really out in the open that was circulating allegations that he was a communist sympathizer," said political scientist Lloyd Omdahl, 62, who worked as Burdick's press assistant in the 1960 campaign against Gov. John Davis (R).

The smear campaign "never really got off the ground," said senior federal Judge Myron Bright, in part because the allegations were revealed to have been spread by Republican operatives.

The effort to tar Burdick was based primarily on Burdick's association with Wallace and his attendance at the Progressive convention, which Burdick brushed off by asserting he had merely been an observer on behalf of the Farmers Union. But Bright said the campaign was concerned enough to bring in "the number one Democratic anticommunist in the country"—Sen. John F. Kennedy (D-Mass).

"John Kennedy came to Fargo ten days before the election and in essence put his arm around Quentin and said, 'Here's a good American,'" said Bright.

The potentially damaging allegations in the possession of the FBI never surfaced, although it appears someone did attempt to pry them loose. In June 1960, only weeks before the special election, the bureau apparently received a request for information on Burdick from someone involved in North Dakota politics.

The FBI, however, refrained from getting involved. "It is believed that our reply to [censored] should be most circumspect in order that the FBI will not become involved in this political campaign," wrote an unnamed bureau official in an internal memorandum.

"If we advise [censored] that Burdick has never been the subject of a Bureau investigation, [censored] may construe such a statement as clearance of him and afford publicity to the Bureau's letter as an endorsement of Burdick. It is, therefore, believed that our reply should be limited to indicated that the Bureau does not furnish clearances or nonclearances nor evaluations or comments concerning the character or integrity of any individual."

It's unclear who might have posed the request to FBI. Omdahl said the Burdick campaign never requested clearance from the bureau. That leaves two likely possibilities: the Davis campaign and the press.

Omdahl says that if the FBI had decided to release the information, it could have changed the outcome of the race. "If they had done that in 1960, it could have been damaging because the election was so close. Actually, it wasn't until midday the day after the election that we knew he had won. * * * It was a cliffhanger. If the FBI would have thrown its credibility behind his opponent, that would have probably changed 1,500 votes. All you needed to do is change 750."

Burdick was never a communist, said Omdahl. "Back in 1948 there were people claiming that the whole Farmers Union was somewhat pinkish. They took liberal positions on current social issues like welfare, education. They were liberal in their social orientation."

Burdick came under fire simply for being liberal, Omdahl said. "Back in those days, if you believed the government ought to do something, you were suspect."

Burdick was certainly unabashedly active in the progressive alliance. "In that regard, if it's guilt by association, I guess he did have some associations. But his public record didn't reveal he had ever proposed to overthrow the government."

The bureau also took note of an article in the Worker hailing Burdick's victory.

"The nation-wide concern of the monopoly press for a victory for Gov. John Davis, the Republican candidate, was reflected locally in the attacks on Burdick as a candidate of the 'labor bosses,' the Hoffa forces, the Farmers Union and the Left Wing," opined the paper. "Burdick's crime, the press made clear, was that he voted too often for the people against the reactionaries." The paper condemned "an intense redbaiting campaign through phone calls and unsigned leaflets calculated to discredit Burdick with the voters."

While Burdick was not among the liberals who spoke out against McCarthyism, he did in 1961 forward to Hoover an impassioned letter he had received from a Presbyterian minister denouncing Hoover for his comments endorsing a red-baiting film put out by the House Un-American Activities Committee.

The letter was placed in Burdick's file along with a note stating that bureau files "contain numerous references regarding [Burdick] dating back to 1944 which would indicate that he is sympathetic to the communists. Some Communist Party officials have reportedly been pleased with the political success of Quentin Burdick."

While Burdick's reputed association with communists ended in the mid-1940s, the last reference to Burdick as a "communist sympathizer" is in a January 1965 memorandum, the subject of which was censored.

Large portions of the Burdick file were censored to protect the privacy of others, to protect informants, and for "national security." One mystery that will endure: In several instances where documents discuss Burdick's background, information has been censored "in the interest of national defense or foreign policy."

TRIBUTE TO RALPH H. KELLEY, CHIEF BANKRUPTCY JUDGE, EASTERN DISTRICT OF TENNESSEE

Mr. SASSER. Mr. President, it is my great honor and privilege to rise today in recognition of one of the true giants of the Federal judiciary—Ralph H. Kelley, chief bankruptcy judge for the eastern district of Tennessee.

On October 1, 1993, Judge Kelley will retire after 25 years of distinguished service on the bench. But in an inspired and highly applauded decision, the sixth circuit Court of Appeals voted unanimously to recall him for an additional 3 years of senior staturs service.

The sixth circuit recognized what many of us in Tennessee have known for years: Judge Kelley is one of the most dedicated public servants and brilliant jurists that our great State has ever produced.

However, I would be sadly remiss, if I left my colleagues with the impression that Judge Kelley's vast contributions have been limited to his service on the bench. That is just one facet of this extraordinary man.

Go beyond the bench, and you will see that the thread throughout Judge Kelley's career is service to his fellow citizens, his State, and his country. When I think of Ralph Kelley, I am reminded of what Woodrow Wilson once said: "There is no cause so sacred as the cause of a people. There is no idea so uplifting as the idea of service to humanity."

Ralph Kelley started his long distinguished career as a page in the House of Representatives during the tumultuous years of World War II. Following his service in the Army Air Corps, Ralph Kelley completed his education at the University of Chattanooga and received his law degree from Vanderbilt University.

Armed with this new knowledge, a first-rate mind and a selfless dedication to citizens and country, Ralph Kelley began his calling. After 2 years as assistant attorney general for Hamilton County, Ralph Kelley was elected to the Tennessee House of Representatives.

Higher offices were to follow and in 1963, Ralph Kelley was elected mayor of Chattanooga. These were unsettled times in the South, and I cannot commend Ralph Kelley enough for his tireless efforts to improve race relations in the city and State—a legacy that lives on today.

Ralph Kelley was picked from the mayor's office to serve as Federal bankruptcy judge, where he served from 1969 to this day. How fortunate we

are to have a judge of Ralph Kelley's enormous stature. His towering intellect and compassion resonate throughout his decisions and actions while on the bench. Judge Kelley has held in his hands the economic livelihood of communities, and through his actions held those communities together.

Judge Kelley somehow also found time to come to Washington to share with the Congress his vast knowledge and expertise on a wide range of issues, from bankruptcy to the budget as it relates to the judiciary. And we will long reap the fruits of Judge Kelley's labors as a teacher—a labor of love for this great man.

I would also like to point out that contributing to this extraordinary career has been Ralph's wife of 33 years, the former Barbara Ann Fahl, and his three daughters, Laura, Ellen, and Karen.

Mr. President, if Judge Ralph Kelley were present in the Chamber today, I would tell him that we have been enriched by your kind words as a friend, your good works as a public servant, and your wisdom and compassion as a judge.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Edwin R. Thomas, 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.)

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on September 24, 1993, he had presented to the President of the United States, the following enrolled bills:

S. 464. An act to redesignate the Pulaski Post Office located at 111 West College Street in Pulaski, Tennessee, as the "Ross Bass Post Office".

S. 779. An act to continue the authorization of appropriations for the East Court of the National Museum of Natural History, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1564. A communication from the President of the United States, transmitting, pursuant to law, a report on the status of efforts to obtain Iraq's compliance with the resolutions adopted by the U.N. Security Council; to the Committee on Foreign Relations.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. NUNN, from the Committee on Armed Services:

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 general

Gen. Colin L. Powell, [redacted] U.S. Army.

The following-named officer for appointment to the grade of brigadier general while serving as the Staff Judge Advocate to the Commandant of the Marine Corps under the provisions of title 10, United States Code, section 5046:

To be brigadier general

Col. Michael C. Wholley, [redacted].

(The above nominations were reported with the recommendation that they be confirmed.)

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. FORD:

S. 1491. A bill to amend the Airport and Airway Improvement Act of 1982 to authorize appropriations, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. LOTT:

S. 1492. A bill to require the Secretary of the Army to carry out such activities as are necessary to stabilize the bluffs along the Mississippi River in the vicinity of Natchez, Mississippi, and for other purposes; to the Committee on Environment and Public Works.

By Mrs. KASSEBAUM (for herself, Mr. SIMON, Mr. LUGAR, Mr. MITCHELL, Mr. DOLE, Mr. KENNEDY, Mr. PELL, Mr. HELMS, Mr. JEFFORDS, Ms. MOSELEY-BRAUN, Mr. LEVIN, Mr. FEINGOLD, Mr. SARBANES, Mr. ROBB, Mr. MOYNIHAN, Mr. COVERDELL, Mr. STEVENS, Mr. SPECTER, and Mr. WARNER):

S. 1493. A bill to support the transition to nonracial democracy in South Africa; considered and passed.

By Mr. BOND (for himself, Mr. RIEGLE, and Mr. BURNS):

S. 1494. A bill to amend the Social Security Act to improve the exchange of information relating to health care services, to provide for measurement of health care quality, and for other purposes; to the Committee on Labor and Human Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. AKAKA (for himself, Mr. PELL, Mr. INOUYE, Mr. CAMPBELL, Mr. KENNEDY, Mr. MURKOWSKI, Mr. DASCHLE, Mr. STEVENS, and Mr. JEFFORDS):

S. Con. Res. 44. A concurrent resolution to express the sense of Congress concerning the International Year of the World's Indigenous Peoples; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. FORD:

S. 1491. A bill to amend the Airport and Airway Improvement Act of 1982 to authorize appropriations, and for other purposes; to the Committee on Commerce, Science, and Transportation.

FEDERAL AVIATION ADMINISTRATION AUTHORIZATION ACT OF 1993

Mr. FORD. Mr. President, today I am introducing legislation to authorize appropriations for the Federal Aviation Administration. Because I believe the aviation industry is at a crossroad, possibly facing changes in the next year that completely reverse longstanding policies, this legislation is a simple, 1-year authorization. The Airport Improvement Program for fiscal year 1994 will be authorized at $2.050 billion.

This sense of change in the airline industry was recently expressed by Bob Crandall, chairman and president of American Airlines, Inc. In a speech to the International Aviation Club, he describes the airline industry as having a rare and possibly fleeting chance to seize the moment.

I regret that Secretary Peña does not have all of his team in place, because the next several months will be crucial to the airline industry and events will be unfolding very quickly.

The National Commission to Ensure a Strong Competitive Airline Industry completed their work in August and we are now waiting for an administration task force to finish reviewing the recommendations. Vice President GORE'S reinventing Government package included recommendations for the air traffic control system and needless to say, I have a few suggestions of my own.

With an industry on the brink and no clear consensus yet on reforms, I do not believe now is the time to lock in the FAA and the Airport Improvement Program for 3 more years.

The airport community insists a multiyear authorization is needed for planning purposes. While I have always been an advocate of a budget process which allows for long-term planning, I must say to my airport friends that with decreasing revenues and enormous problems simply meeting airport funding obligations, I believe planning considerations are secondary.

I understand airports like multiyear authorizations so they can receive multiyear grants. But, with the letter-of-intent program functioning, there really is no need for multiyear grants. I would hope the airports understand

that in this time of change in the industry, it is important to address all of the problems facing the industry including increased funding for the Airport Improvement Program.

Mr. President, I would like to advise my colleagues that I will schedule hearings on the recommendations of the National Commission to Ensure a Strong Competitive Airline Industry as soon as the Clinton administration has completed its review. Because many of the recommendations do not require legislation, I think it's important for Secretary Peña to testify. I believe an insight from Secretary Peña and Chairman of the Commission, Governor Baliles, would benefit those of us interested in pinning down specific responses to the industry's problems.

I was totally shocked when the House of Representatives Appropriations Committee reported legislation which decreases the Airport Improvement Program appropriation $300 million below the fiscal 1993 level and $379 million below the Clinton administration request. Especially in light of the fact that the Airport Improvement Program does not come from the general fund, but rather is self-financed by a trust fund collected from airline passengers. To say that I find the slowdown of the program perplexing and unacceptable would be an understatement.

I am committed to do everything that I can to at least raise the Airport Improvement Program to the fiscal year 1993 level.

The FAA has gone ahead and projected the discretionary grants without the benefit of this slowdown of the program. There are a number of obligations which must be met and I do not want to stymie the program to the extent that the FAA will be unable to commit to new projects.

In 1987, the Congress agreed to a concept which allows the FAA to work with airports to find funding for capacity programs. The FAA signs a letter of intent with an airport which not only makes long-term planning easier, but airport project financing can be enhanced as well. The FAA has issued 44 letters of intent and 39 are still outstanding. To date, FAA has met all letter of intent commitments and the reimbursement usually is set from 3 to 8 years. I cannot envision any other process that could better fund these multimillion-dollar capacity projects. I certainly do not believe the yearly appropriations process is the answer.

But clearly, the FAA will not meet the letter of intent obligations if the Airport Improvement Program level set by the House of Representatives remain in place. What is even more disheartening is that FAA will not be able to issue any additional letters of intent. This is not the time to hamstring the Airport Improvements Program. I am committed to continuing the letter of intent program and seeking ways to continue to fund airport capacity projects.

In an effort to fund the letter of intent obligations and fund future capacity projects, I have included in this legislation a mechanism that ensures that the FAA will be able to meet its existing obligations and obligations for fiscal year 1994. The provision specifically provides discretionary funds for the FAA if the AIP appropriation falls below $1.8 billion—the minimum needed to adequately run the program. This mechanism is for the life of the authorization and will resolve the problem without a huge burden to the distributional formulas set in the statute for airport funds. The formulas will be reduced proportionally to allow some discretionary funding.

Mr. President, I would like to summarize several other provisions of the bill. The authorization for the microwave landing system program will lapse. In light of the promising technology known as the global positioning satellite [GPS], I see no need to continue to fund this program for no better reason than, the Europeans might decide in 1995 to deploy MLS. It is hoped that all of the technical problems with GPS will be resolved by 1995.

This legislation provides for an inventory of landing aids and navigational equipment. The 3 to 4 year wait for landing aids and navigational equipment is unacceptable and inefficient.

On Monday, Senator DORGAN introduced legislation, S. 1469, to require air carriers to provide 90 days' notice to the Secretary of Transportation, the appropriate State agencies and affected communities prior to the termination, suspension or significant reduction of air service. In these days of diminishing airlines, I believe this is invaluable to allow communities sufficient time to find alternative service. I join Senator DORGAN as a cosponsor of S. 1469 and have included the text of his bill in this authorization.

It has been suggested to me that since foreign governments charge aircraft manufacturers for certification of aircraft the FAA should be allowed to do the same. This legislation provides for the FAA to establish a program to charge for certification of aircraft of both foreign and domestic manufacturers. Also, I have included the authority to charge foreign repair stations for the cost of certification.

Mr. President, FAA's annual budget of almost $9 billion supports a broad air transportation system infrastructure. This infrastructure has changed little since the Federal Aviation Act of 1958. Over time, bureaucratic inefficiencies have become institutionalized and the norm for conducting government business. Demands for ever increasing funding levels have not necessarily been accompanied by expected improvements in capacity or efficiency.

In view of the recent budget agreement and anticipated future funding constraints, the FAA may well be driven by demands for significant organizational change to meet the performance expectations necessary to support growing air transportation system requirements. It is a bit ironic that FAA is facing budget cuts at a time when the airline industry seems to finally be coming out of a bleak financial period and is actually posting some income.

I believe the Senate Aviation Subcommittee needs to review the functions of the FAA and the balance of resources needed to meet the needs of a safe and efficient aviation system. In this legislation, I require the Administrator provide the subcommittee with a review of the personnel procedures, procurement problems and the structure of the FAA. I look forward to a timely report. This will provide an excellent opportunity for the new Administrator to work with the subcommittee in looking at all of the functions of the FAA before introducing a bill next year.

Next Tuesday, September 28, the Aviation Subcommittee will hold a reauthorization hearing. The concept of meeting the needs of the Airport Improvement Program will be the major focus of the subcommittee.

Mr. President, I ask unanimous consent that the text of the legislation and my statement be included in the RECORD.

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

S. 1491

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Aviation Administration Authorization Act of 1993".

SEC. 2. AIRPORT IMPROVEMENT PROGRAM AUTHORIZATION.

(a) AUTHORIZATION.—The second sentence of section 505(a) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2204(a)) is amended—

(1) by striking "and" immediately after "1992,"; and

(2) by inserting ", and $18,016,700,000 for fiscal years ending before October 1, 1994" immediately before the period at the end.

(b) DISCRETIONARY FUND.—Section 505(a) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2204(a)) is further amended by inserting immediately after the second sentence the following new sentence: "If the obligation limitation on the amount made available under this subsection for fiscal year 1994 is less than $1,800,000,000 and not less than $1,700,000,000, then $50,000,000 of such amount shall be credited to the discretionary fund established by section 507(c), without apportionment; and if the obligation limitation on the amount made available under this subsection for fiscal year 1994 is less than $1,700,000,000, then $100,000,000 of such amount shall be credited to such discretionary fund, without apportionment.".

(c) OBLIGATIONAL AUTHORITY.—Section 505(b)(1) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2204(b)(1)) is amended by striking "1993" and inserting in lieu thereof "1994".

SEC. 3. DEFINITION OF AIRPORT DEVELOPMENT.

Section 503(a)(2)(B)(ii) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2202(a)(2)(B)(ii)) if amended by inserting "(including explosive detection devices) and universal access systems" immediately after "safety or security equipment".

SEC. 4. AUTHORITY TO CONTINUE LETTERS OF INTENT.

Notwithstanding any other provision of law, the Secretary of Transportation may issue letters of intent under section 513(d) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2212(d)) and use Airport Improvement Program funds for planning, approving, and administering such letters of intent.

SEC. 5. LANDING AIDS AND NAVIGATIONAL EQUIPMENT INVENTORY POOL.

Section 506(a) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2205(a)) is amended by adding at the end the following new paragraph:

"(4) LANDING AIDS AND NAVIGATIONAL EQUIPMENT INVENTORY POOL.—

"(A) ESTABLISHMENT OF PROGRAM.—Not later than December 31, 1993, and notwithstanding any other provision of this title, the Secretary shall establish and implement a program to purchase and reserve an inventory of precision approach instrument landing system equipment, to be made available on an expedited basis for installation at airports.

"(B) AUTHORIZATION.—No less than $30,000,000 of the amounts appropriated under paragraph (1) for each of the fiscal years 1994 and 1995 shall be available for the purpose of carrying out this paragraph, including acquisition, site preparation work, installation, and related expenditures.".

SEC. 6. MICROWAVE LANDING SYSTEM.

Section 506(a) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2205(a)), as amended by this Act, is further amended by adding at the end the following new paragraph:

"(5) MICROWAVE LANDING SYSTEM.—Notwithstanding any other provision of law, none of the amounts appropriated under this subsection may be used for the development or procurement of the microwave landing system, except as necessary to meet obligations of the Government under contracts in effect on January 1, 1994.".

SEC. 7. ASSISTANCE TO FOREIGN AVIATION AUTHORITIES.

(a) IN GENERAL.—Section 313 of the Federal Aviation Act of 1958 (49 App. U.S.C. 1354) is amended by adding at the end the following new subsection:

"(g) ASSISTANCE TO FOREIGN AVIATION AUTHORITIES.—The Administrator may provide safety-related training and operational services to foreign aviation authorities with or without reimbursement, if the Administration determines that providing such services promotes aviation safety. To the extent practicable, air travel reimbursed under this subsection shall be conducted on United States air carriers.".

(b) CONFORMING AMENDMENT.—The table of contents of the Federal Aviation Act of 1958 is amended by adding at the end of the item relating to section 313 the following:

"(g) Assistance to foreign aviation authorities.".

SEC. 8. FOREIGN FEE COLLECTION.

Section 313(f) of the Federal Aviation Act of 1958 (49 App. U.S.C. 1354(f)) is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(2) by inserting immediately after paragraph (2) the following new paragraph:

"(3) RECOVERY OF COST OF FOREIGN AVIATION SERVICES.—

"(A) ESTABLISHMENT OF FEES.—Notwithstanding the limitation of paragraph (4), the Administrator may establish and collect fees for providing or carrying out the following aviation services outside the United States: any test, authorization, certificate, permit, rating, evaluation, approval, inspection, or review. Such fees shall be established as necessary to recover the additional cost of providing or carrying out such services outside the United States, as compared to the cost of providing or carrying out such services within the United States.

"(B) CREDITING OF PREESTABLISHED FEES.—Fees described in subparagraph (A) that were not established before the date of enactment of the Federal Aviation Administration Authorization Act of 1993 may be credited in accordance with paragraph (5).".

SEC. 9. REVIEW OF FEDERAL AVIATION ADMINISTRATION.

The Administrator of the Federal Aviation Administration shall conduct a review of the Federal Aviation Administration's personnel administration, procurement process, and overall organizational structure. The Administrator shall, not later than March 30, 1994, report on the results of the review to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Public Works and Transportation of the House of Representatives.

SEC. 10. REPEAL OF ANNUAL REPORT REQUIREMENT.

Section 401 of the Aviation Safety and Noise Abatement Act of 1979 (Public Law 96-193; 94 Stat. 57) is repealed.

SEC. 11. DISCONTINUATION OF AVIATION SAFETY JOURNAL.

The Administrator of the Federal Aviation Administration may not publish, nor contract with any other organization for the publication of, the magazine known as the "Aviation Safety Journal". Any existing contract for publication of the magazine shall be canceled within 30 days after the date of enactment of this Act.

SEC. 12. ACCESS OF FOREIGN AIR CARRIERS TO HIGH DENSITY AIRPORTS.

(a) IN GENERAL.—Title IV of the Federal Aviation Act of 1958 (49 App. U.S.C. 1371 et seq.) is amended by adding at the end the following:

"SEC. 420. ACCESS OF FOREIGN AIR CARRIERS TO HIGH DENSITY AIRPORTS.

"(a) IN GENERAL.—The Secretary shall not take a slot at a high density airport from an air carrier and award such slot to a foreign air carrier if the Secretary determines that air carriers are provided equivalent rights of access to airports in the country of which such foreign air carrier is a citizen.

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

"(1) HIGH DENSITY AIRPORT.—The term 'high density airport' means an airport at which the administrator limits the number of instrument flight rule takeoffs and landings of an aircraft.

"(2) SECRETARY.—The term 'Secretary' means the Secretary of Transportation.

"(3) SLOT.—The term 'slot' means a reservation, by an air carrier at an airport, for an instrument flight rule takeoff or landing of an aircraft in air transportation.".

(b) CONFORMING AMENDMENT.—The portion of the table of contents of the Federal Aviation Act of 1958 relating to title IV is amended by adding at the end the following new item:

"Sec. 420. Access of foreign air carriers to high density airports.

"(a) In general.

"(b) Definitions.".

SEC. 13. AIR SERVICE TERMINATION NOTICE.

(a) IN GENERAL.—(1) Title IV of the Federal Aviation Act of 1958 (49 App. U.S.C. 1371 et seq.), as amended by this Act, is further amended by adding at the end the following new section:

"SEC. 421. AIR SERVICE TERMINATION NOTICE.

"(a) IN GENERAL.—An air carrier may not terminate air transportation to any point, unless such air carrier has given the Secretary, each appropriate State agency, and each affected community at least 60 days' notice before such termination.

"(b) EMERGENCY EXCEPTION.—On a case-by-case basis, the Secretary may modify or waive the requirements of subsection (a) for an air carrier experiencing a sudden and unforeseen financial emergency, if the Secretary finds that such requirements impose undue hardship on such air carrier.".

(2) The portion of the table of contents of the Federal Aviation Act of 1958 relating to title IV, as amended by this Act, is further amended by inserting immediately after the item relating to section 420 the following new item:

"Sec. 421. Air service termination notice.

"(a) In general.

"(b) Emergency exceptions.".

(b) CIVIL PENALTIES.—Section 901(a)(1) of the Federal Aviation Act of 1958 (49 App. U.S.C. 1471(a)(1)) is amended by inserting "section 421 or" immediately after "$10,000 for each violation of".

SEC. 14. COOPERATIVE AGREEMENTS FOR RESEARCH, ENGINEERING, AND DEVELOPMENT.

(a) IN GENERAL.—Section 312 of the Federal Aviation Act of 1958 (49 App. U.S.C. 1353) is amended by adding at the end the following new subsection:

"(j) COOPERATIVE AGREEMENTS.—The Administrator may enter into cooperative agreements on a cost-shared basis with Federal and non-Federal entities that the Administrator may select in order to conduct, encourage, and promote aviation research, engineering, and development, including the development of prototypes and demonstration models.".

(b) CONFORMING AMENDMENT.—The table of contents of the Federal Aviation Act of 1958 is amended by adding at the end of the item relating to section 312 the following:

"(j) Cooperative agreements.".

SEC. 15. SAFETY OF JUNEAU INTERNATIONAL AIRPORT.

(a) STUDY.—(1) Within 30 days after the date of enactment of this Act, the Secretary of Transportation, in cooperation with the National Transportation Safety Board, the National Guard, and the Juneau International Airport, shall undertake a study of the safety of the approaches to the Juneau International Airport.

(2) Such study shall examine—

(A) the crash of Alaska Airlines Flight 1866 on September 4, 1971;

(B) the crash of a Lear Jet on October 22, 1985;

(C) the crash of an Alaska Army National Guard aircraft on November 12, 1992;

(D) the adequacy of NAVAIDs in the vicinity of the Juneau International Airport;

(E) the possibility of confusion between the Sisters Island directional beacon and the Coghlan Island directional beacon;

(F) the need for a singular Approach Surveillance Radar site on top of Heintzleman Ridge;

(G) the need for a Terminal Very High Frequency Omni-Directional Range (Terminal VOR) navigational aid in Gastineau Channel; and

(H) any other matters any of the parties named in paragraph (1) think appropriate to the safety of aircraft approaching or leaving the Juneau International Airport.

(b) REPORT.—(1) Within 6 months after the date of enactment of this Act, the Secretary of Transportation shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Public Works and Transportation of the House of Representatives a report which—

(A) details the matters considered by the study;

(B) summarizes any conclusions reached by the participants in the study;

(C) proposes specific recommendations to improve or enhance the safety of aircraft approaching or leaving the Juneau International Airport, or contains a detailed explanation of why no recommendations are being proposed;

(D) estimates the cost of any proposed recommendations; and

(E) includes any other matters the Secretary deems appropriate.

(2) The report shall include any minority views if consensus is not reached among the parties listed in subsection (a)(1).

SEC. 16. SOLDOTNA AIRPORT IMPROVEMENT.

(a) RELEASE.—Notwithstanding section 16 of the Federal Airport Act (as in effect on December 12, 1963), the Secretary of Transportation is authorized, subject to the provisions of section 4 of the Act of October 1, 1949 (50 App. U.S.C. 1622c), and the provisions of subsection (b) of this section, to grant releases from any of the terms, conditions, reservations, and restrictions contained in the deed of conveyance dated December 12, 1963, under which the United States conveyed certain property to the city of Soldotna, Alaska, for airport purposes.

(b) CONDITIONS.—Any release granted under subsection (a) shall be subject to the following conditions:

(1) The city of Soldotna, Alaska, shall agree that, in conveying any interest in the property which the United States conveyed to the city be deed dated December 12, 1963, the city will receive an amount for such interest which is equal to the fair market value (as determined pursuant to regulations issued by the Secretary of Transportation).

(2) Any such amount so received by the city shall be used by the city for the development, improvement, operation, or maintenance of a public airport.

SEC. 17. TECHNICAL AMENDMENTS.

(a) DEFINITIONS.—Section 503(a)(2)(B) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2202(a)(2)(B)) is amended by moving clauses (vii) and (viii) 2 ems to the right.

(b) AIRPORT PLANS.—Section 504(a)(1) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2203(a)(1)) is amended by redesignating clauses (1), (2), and (3) as clauses (A), (B), and (C), respectively.

(c) CERTAIN PROJECT COSTS.—Section 513(b)(4) of the Airport and Airway Improvement Act of 1982 (49 App. U.S.C. 2212(b)(4)) is amended—

(1) by inserting "or (in the case of a commercial service airport which annually has less than 0.05 percent of the total enplanements in the United States) between January 1, 1992, and October 31, 1992," immediately after "July 12, 1976,"; and

(2) by adding at the end the following new subparagraph:

"(D) That, with respect to a project at a commercial service airport which annually has less than 0.05 percent of the total enplanements in the United States, the Secretary may, approve the use of the funds described under paragraph (2), notwithstanding the provisions of sections 511(a)(16) and 515.".

SEC. 18. EXPENDITURES FROM AIRPORT AND AIRWAY TRUST FUND.

Section 9502(d)(1)(A) of the Internal Revenue Code of 1986 (relating to expenditure from Airport and Airway Trust Fund) is amended by striking "(as such Acts were in effect on the date of the enactment of the Airport and Airway Safety, Capacity, Noise Improvement, and Intermodal Transportation Act of 1992)" and inserting in lieu thereof "(as such Acts were in effect on the date of the enactment of the Federal Aviation Administration Authorization Act of 1993)".

By Mr. LOTT:

S. 1492. A bill to require the Secretary of the Army to carry out such activities as are necessary to stabilize the bluffs along the Mississippi River in the vicinity of Natchez, MS, and for other purposes; to the Committee on Environment and Public Works.

HISTORIC NATCHEZ BLUFFS STABILIZATION ACT

• Mr. LOTT. Mr. President, today I am introducing before the Senate a bill which addresses a serious, emergency problem in Mississippi which threatens the historic bluffs along the Mississippi River in Natchez, MS. Over this past year, we have witnessed the awesome power of this great inland waterway, especially when it decides that something stands in its way.

In this case, the river is assaulting the city of Natchez, MS—a city which itself is a national park. Natchez is a city lined by bluffs, antebellum homes, and a great and mighty river. The bluffs, which grace the city's horizon, serve as the origin of the picturesque Natchez Trace Parkway—but they are in danger of serious erosion by the mighty Mississippi River.

The bill I am introducing today seeks to correct this serious threat caused by the river. This bill authorizes the Corps of Engineers to correct the debilitating effects of this erosion. Today, Natchez is at risk. Today, along Silver Street in Natchez, high water from the Mississippi River continuously laps at the base of the retaining wall and siphons away fill material—which leads to further erosion and settlement of the street above on the bluff. This erosion and settlement threatens the continued existence of the oldest street along the Mississippi River. With each passing day, this situation gets worse.

Mr. President, this legislation is badly needed. If no action is taken, the historic city of Natchez and its picturesque bluffs are in danger of being washed away. I urge my colleagues to support this bill and I look forward to working with the appropriate committees to ensure that this national landmark and resource are preserved for the future enjoyment of all Americans.•

By Mr. BOND (for himself, Mr. RIEGLE, and Mr. BURNS):

S. 1494. A bill to amend the Social Security Act to improve the exchange of information relating to health care services, to provide for measurement of health care quality, and for other purposes; to the Committee on Labor and Human Resources.

THE HEALTH INFORMATION MODERNIZATION AND SECURITY ACT

Mr. BOND. Mr. President, I rise today to introduce, along with my colleague, Senator RIEGLE of Michigan and Senator BURNS of Montana, the Health Information Modernization and Security Act. I also want to call my colleagues' attention to some very important displays that are available today in the Capitol.

On Wednesday night, we saw the President hold up the health security card. This is the foundation for information and administrative reform in the overall health care reform effort. We—Senator RIEGLE, I, our staffs, the industry, and Government entities—have been working for 2 years now to develop the governmental guidelines which will permit us to have information needed for patients' health care insurance coverage, and patient health care information accessible through a simple card like an ATM which we would use at a Government machine, like that we use in a banking machine to get money now.

The industry is way ahead of us. The industry has already adopted and has set up many very valuable computer operations which can provide information on billing, care, and outcomes in health care that can take us significant steps forward. Many of these are on display right now in SC-5.

I urge my colleagues who are interested in this to visit SC-5. Certainly, your health care LA's and any information specialists you have, and I urge others who are interested to visit there also, because it is truly eye-opening. What computer information and technology can do to lessen the administrative nightmare of stacks and stacks of paperwork is significant. There are billions of dollars of savings, but beyond that and what is more important, the people who are involved in health care tell us that using good computer information can help identify what is providing the best care.

How can we be more efficient in health care? What kinds of procedures are cost effective and deliver high-quality health care? There are some fascinating displays that will give all of us an idea of what can be done through information technology.

Two things are lacking. We do not now have a single standard electronic form for submitting information because there are 1,500 different insurance companies. There are hundreds of

thousands of providers. Right now, every one of them can use their own format.

In 1982, the health care financing agency for Medicare came up with UB-82, supposed to be a uniform billing. Well, a uniform billing grew like Topsy. Everybody added some bells and whistles onto it. You see a blizzard of paperwork. It is all different.

This bill that we are introducing today would provide for a committee composed of Government and representatives of the private sector to identify the essentials for billing that must be included in any health information system, and no more.

Doctors and hospitals and others can provide additional information for themselves, but for billing and claims and for electronic transfer, there will be a certain set format and a means of communicating between systems. It is vitally important that we get everybody speaking the same language. Right now, they speak in a multitude of tongues.

Second, most people do not know it today, but those stacks and stacks of shoe boxes in which your medical information is kept are often available to anybody who walks through and picks one up. We need privacy and confidentiality assured. None of us wants some unauthorized person looking at our health care records. We would establish criminal penalties for violation of security and confidentiality.

That is what this bill will do.

I invite my colleagues to join us. This is a bipartisan effort to take the first step toward achieving President Clinton's health care reform.

There may be some differences among us on which way we go, but we are not going to go anyplace until we get our health information out of the Dark Ages. We are approaching the 21st century with a 19th-century, quill-and-scroll type of billing system and recordkeeping.

So I invite my colleagues first to join us as cosponsors. But second, please visit SC-5, because the future is here today. You can see what has already been developed that can revolutionize the health care information system.

Mr. President, I also have a statement for my colleague from Michigan, but I will allow him to introduce that. I express my sincerest thanks to Senator RIEGLE, who was with us last year when we worked on it. We had a dozen cosponsors. We hope we will have several times that many this year; particularly thanks to Senator RIEGLE and his staff, and all the people who have helped us.

Mr. President, I ask unanimous consent that a copy of my full remarks, a summary of the bill, and the bill itself, be printed in the RECORD.

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

S. 1494

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 "Health Care Information Modernization and Security Act of 1993".

SEC. 2. ESTABLISHMENT OF HEALTH CARE DATA INTERCHANGE SYSTEM.

(a) IN GENERAL.—The Social Security Act (42 U.S.C. 301 et seq.) is amended by adding at the end the following new title:

"TITLE XXI—HEALTH CARE DATA INTERCHANGE SYSTEM

"HEALTH CARE DATA PANEL

"SEC. 2101. (a) ESTABLISHMENT.—There is established a panel to be known as the Health Care Data Panel (referred to in this section as the 'Panel').

"(b) MEMBERSHIP.—

"(1) IN GENERAL.—The Panel shall be composed of the following members:

"(A) The Secretary (or his or her designee).

"(B) The Secretary of Defense (or his or her designee).

"(C) The Secretary of Veterans Affairs (or his or her designee).

"(D) A representative of the Agency for Health Care Policy and Research.

"(E) A representative of the National Institute of Standards and Technology.

"(F) A representative of the National Telecommunication and Information Administration.

"(G) Six additional Federal officers determined appropriate by the Secretary.

"(2) CHAIRPERSON.—The Secretary shall be the Chairperson of the Panel.

"(c) MEETINGS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the Panel shall meet at the call of the Chairperson.

"(2) INITIAL AND SUBSEQUENT MEETINGS.—The Panel shall hold a meeting not later than 30 days after the date of the enactment of this section and at least annually thereafter.

"(3) QUORUM.—A majority of the members of the Panel shall constitute a quorum, but a lesser number of members may hold hearings.

"(d) POWERS OF THE PANEL.—

"(1) HEARINGS.—The Panel may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Panel considers advisable to carry out the purposes of this section.

"(2) INFORMATION FROM FEDERAL AGENCIES.—The Panel may secure directly from any Federal department or agency such information as the Panel considers necessary to carry out the provisions of this section. Upon request of the Chairperson of the Panel, the head of such department or agency shall furnish such information to the Panel.

"(3) POSTAL SERVICES.—The Panel may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

"(4) GIFTS.—The Panel may accept, use, and dispose of gifts or donations of services or property.

"(e) PANEL PERSONNEL MATTERS.—

"(1) COMPENSATION OF MEMBERS.—Members of the Panel shall serve without compensation in addition to that received for their services as officers or employees of the Federal Government.

"(2) STAFF.—

"(A) DETAIL OF GOVERNMENT EMPLOYEES.—Upon the request of the Chairperson any Federal Government employee may be detailed to the Panel without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

"(B) CONTRACTS.—The Chairperson may enter into contracts or other arrangements that may be necessary for the Panel to perform its duties.

"(C) INTERNAL ORGANIZATION.—The Chairperson may prescribe such rules as the Chairperson determines necessary with respect to the internal organization of the Panel.

"(f) DUTIES OF THE PANEL.—

"(1) IN GENERAL.—The Panel shall, in consultation with the Health Informatics Commission established under section 2102, develop proposed regulations for the implementation and ongoing operation of an integrated electronic health care data interchange system which are based on the operating requirements for the system established, selected, or developed by the Panel under paragraphs (1) through (7) of subsection (i). Such proposed regulations shall ensure—

"(A) the integration of all participants in the health care system (as defined in subsection (l)(1));

"(B) the use of uniform processes which will permit participants in the health care system to communicate electronically for the submission and receipt of health care data;

"(C) the privacy of individuals who are patients receiving health care services and the confidentiality of information in the data interchange system;

"(D) that the data in the system is verifiable, timely, accurate, reliable, useful, complete, relevant, time and date stamped, and comparable; and

"(E) an overall reduction in the administrative burdens and costs of the health care system, an overall increase in the productivity, effectiveness, and efficiency of the system, and an overall increase in the quality of care furnished by the system.

"(2) TIMING FOR DEVELOPMENT AND SUBMISSION OF PROPOSED REGULATIONS.—Not later than 30 days after the date on which the Panel is required to establish, select, or develop any of the operating requirements for the system as set forth in paragraphs (1) through (7) of subsection (i), the Panel shall submit to the Office of Management and Budget (referred to in this section as the 'OMB') the proposed regulations developed by the Panel under paragraph (1) which relate to such operating requirements.

"(g) IMPLEMENTATION OF THE REGULATORY PROPOSALS DEVELOPED BY THE PANEL.—

"(1) PROMULGATION OF REGULATIONS.—

"(A) IN GENERAL.—OMB shall promulgate regulations based on the proposed regulations submitted under paragraph (1) within 90 days after the date such proposed regulations are submitted.

"(B) REGULATIONS NOT BASED ON

"(2) APPLICABILITY.—

"(A) IN GENERAL.—The regulations promulgated by OMB shall apply to any health care program administered by the Department of Health and Human Services, the Department of Defense, and the Department of Veterans Affairs and any participants in the health care system affected by such programs.

"(B) SPECIAL RULE REGARDING THE MEDICARE PROGRAM.—The Secretary may incorporate the capabilities of the common working file used in the medicare program under title XVIII into a uniform working file system developed and operated according to

regulations promulgated under subparagraph (A).

"(3) COMPLIANCE WITH REGULATIONS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), not later than 1 year after the date on which any regulations are promulgated by OMB, the persons described in paragraph (2)(A) shall be required to comply with such regulations.

"(B) COMPREHENSIVE QUALITY MEASUREMENT DATA.—Not later than 2 years after the date on which any regulations are promulgated by OMB relating to standards, conventions, and requirements for comprehensive quality measurement data (as described in subsection (i)(1)(E)(iv)), the persons described in paragraph (2)(A) shall be required to comply with such regulations.

"(h) MODIFICATIONS.—The Panel shall continuously monitor the implementation of the regulations promulgated by OMB under paragraph (1) of subsection (g) and shall submit to OMB any proposed modifications to such regulations determined appropriate by the Panel. The requirements of subsection (g) shall apply to any such proposed modifications in the same manner as such requirements apply to the proposed regulations initially submitted by the Panel.

"(i) OPERATING STANDARDS, CONVENTIONS, REQUIREMENTS, AND PROCEDURES FOR THE DATA INTERCHANGE SYSTEM.—

"(1) SELECTION AND ESTABLISHMENT OF DATA AND TRANSACTION STANDARDS, CONVENTIONS, AND REQUIREMENTS FOR THE DATA INTERCHANGE SYSTEM.—

"(A) IN GENERAL.—The Panel, in consultation with the American National Standards Institute (referred to in this section as 'ANSI'), shall select and establish data and transaction standards, conventions, and requirements that permit the electronic interchange of any health care data the Panel determines necessary for the efficient and effective administration of the health care system.

"(B) MINIMUM REQUIREMENTS.—The data and transaction standards, conventions, and requirements selected and established by the Panel under this paragraph shall, at a minimum—

"(i) ensure that the data interchange system shall have the capability to comply with such standards, conventions, and requirements; and

"(ii) be based on any standards that are in use and generally accepted on the date of the enactment of this Act or that are recommended by nationally recognized standard setting groups, including ANSI, the National Uniform Billing Committee, the Uniform Claim Form Task Force, the National Committee for Prescription Drug Programs, and the Healthcare Informatics Standards Planning Panel.

"(C) APPLICABILITY.—The proposed regulations developed by the Panel shall provide that—

"(i) any participant in the health care system who has the capability to interchange data through a uniform working file developed by the Panel under paragraph (2) shall be required to transmit and receive such data using the standards, conventions, and requirements developed by the Panel under this paragraph; and

"(ii) any participant in the health care system who does not have such capability shall be required to transmit and receive data through a health care information clearinghouse or a health care value added network that is certified under the procedure established pursuant to subsection (k).

"(D) ADDITIONAL REQUIREMENTS.—

"(i) IN GENERAL.—The proposed regulations developed by the Panel shall provide that no participant in the health care system shall be permitted to establish data requirements in addition to such standards, conventions, and requirements established by the Panel and included in regulations promulgated by OMB—

"(I) unless two or more participants voluntarily establish such additional requirements and the requirements meet all of the privacy and confidentiality standards developed by the Panel under this section and included in any regulations promulgated by OMB under subsection (g); or

"(II) a waiver is granted under clause (ii) to establish such additional requirements.

"(ii) CONDITIONS FOR WAIVERS.—

"(I) IN GENERAL.—The proposed regulations developed by the Panel shall provide that any participant in the health care system may request a waiver to establish additional data requirements.

"(II) CONSIDERATION OF WAIVER REQUESTS.—The proposed regulations developed by the Panel shall provide that no waiver shall be granted under this clause unless the entity granting such waiver considers the value of the additional data to be exchanged for research or other purposes determined appropriate by the Panel, the administrative cost of the additional data requirements, the burden of the additional data requirements, and the burden of the timing of the imposition the additional data requirements.

"(III) CERTAIN REQUESTS FOR WAIVERS.—The proposed regulations developed by the Panel shall provide that if a participant in the health care system attempts to impose additional data requirements on any other such participant, the participant on which such requirements are being imposed may contact the Secretary. The Panel shall develop a procedure under which any participant in the health care system contacting the Secretary under the preceding sentence shall remain anonymous. The Secretary shall notify the participant imposing the additional data requirements that such requirements may not be imposed on any other participant unless such other participant voluntarily agrees to such requirements or a waiver is obtained under this clause.

"(E) TIMETABLE FOR STANDARDS, CONVENTIONS, AND REQUIREMENTS.—

"(i) INITIAL STANDARDS, CONVENTIONS, AND REQUIREMENTS RELATING TO FINANCIAL AND ADMINISTRATIVE TRANSACTIONS.—Not later than 9 months after the date of the enactment of this section, the Panel shall develop data and transaction standards, conventions, and requirements for the following items relating to the financing and administration of health care:

"(I) Enrollment.

"(II) Eligibility.

"(III) Payment and remittance advice.

"(IV) Claims.

"(V) Claims status.

"(VI) Coordination of benefits.

"(VII) Crossover billing.

"(VIII) First report of injury.

"(IX) Standardized claim attachments.

"(ii) OTHER STANDARDS, CONVENTIONS, AND REQUIREMENTS RELATING TO FINANCIAL AND ADMINISTRATIVE TRANSACTIONS.—Not later than 9 months after the date of the enactment of this section, the Panel shall develop data and transaction standards, conventions, and requirements for items relating to the financing and administration of health care delivery that are not described in clause (i).

"(iii) STANDARDS, CONVENTIONS, AND REQUIREMENTS RELATING TO INITIAL QUALITY MEASUREMENT INDICATORS.—Not later than 12 months after the date of the enactment of this section, the Panel shall develop data and transaction standards, conventions, and requirements for participants in the health care system to transmit data derived from the financial and administrative transactions data described in clause (i) on quality measurement, utilization monitoring, risk assessment, patient satisfaction, outcomes, and access.

"(iv) STANDARDS, CONVENTIONS, AND REQUIREMENTS RELATING TO COMPREHENSIVE QUALITY MEASUREMENT DATA.—Not later than 24 months after the date of the enactment of this section, the Panel shall develop standards, conventions, and requirements for participants in the health care system to transmit comprehensive data collected at the site of care on quality measurement, utilization monitoring, risk assessment, patient satisfaction, outcomes, and access.

"(v) STANDARDS, CONVENTIONS, AND REQUIREMENTS RELATING TO DATA ON PATIENT CARE RECORDS.—Not later than 36 months after the date of the enactment of this section, the Panel shall develop standards, conventions, and requirements related to the inclusion of data from patient care records into the health care data interchange system, including standards, conventions, and requirements on the identification of the origin of any data from such records that is included in such system.

"(F) DATA AND TRANSACTION STANDARDS, CONVENTIONS, AND REQUIREMENTS FOR THE CENTERS FOR DISEASE CONTROL AND PREVENTION.—Not later than 36 months after the date of the enactment of this section, the Panel, in collaboration with the Centers for Disease Control and Prevention (referred to in this section as the 'CDCP') and in consultation with State departments of health, shall develop data and transaction standards, conventions, and requirements for the electronic interchange of data on vital health statistics collected by CDCP or the States or any other such data as CDCP determines appropriate.

"(G) WAIVERS OF COMPLIANCE.—

"(i) FINANCIAL AND ADMINISTRATIVE TRANSACTIONS.—The proposed regulations developed by the Panel shall provide that any of the data and transaction standards, conventions, and requirements relating to financial and administrative transactions developed by the Panel under subparagraph (E)(i) may be waived until January 1, 1995 for a health care provider that—

"(I) does not have access to a health care information clearinghouse or a health care value added network, is in the process of developing a system that complies with such standards, conventions, and requirements, and executes an agreement with the appropriate regulatory entity that such provider will meet such standards, conventions, and requirements by a specified date (not later than January 1, 1995); or

"(II) is a small rural hospital (as defined by the Panel and included in regulations promulgated by OMB under subsection (g)).

"(ii) ADVANCED QUALITY MEASUREMENT DATA.—The proposed regulations developed by the Panel shall provide that any of the data and transaction standards, conventions, and requirements relating to advanced quality measurement data developed by the Panel under subparagraph (E)(iv) may be waived until January 1, 1998 for a health care provider that—

"(I) does not have access to a health care information clearinghouse or a health care value added network, is in the process of developing a system that complies with such

standards, conventions, and requirements, and executes an agreement with the appropriate regulatory entity that such provider will meet such standards and requirements by a specified date (not later than January 1, 1998); or

"(II) agrees to obtain from such provider's records the data elements that are needed to meet the standards and requirements developed under subparagraph (E)(iv) and agrees to subject the provider's data transfer process to a quality assurance program that is satisfactory to the appropriate regulatory entity.

"(2) STANDARDS FOR OPERATION OF A UNIFORM WORKING FILE.—

"(A) IN GENERAL.—Not later than 24 months after the date of the enactment of this section the Panel shall establish standards for the development and operation of a uniform working file system that is national in scope. Such standards shall ensure—

"(i) that all participants in the health care system may be linked electronically (directly or indirectly) to the uniform working file system;

"(ii) that any privacy and confidentiality standards established by the Panel under paragraph (5) are satisfied;

"(iii) that the uniform working file system improves the efficiency and effectiveness of the administration of the health care system, including health care quality measurement;

"(iv) the interoperability of the uniform working file system by—

"(I) supporting the data and transaction standards, conventions, and requirements selected and established by the Panel; and

"(II) making use of such standards, conventions, and requirements; and

"(v) the support of any other requirements selected or established by the Panel.

"(3) CODE SETS FOR SYSTEM.—

"(A) IN GENERAL.—Not later than 9 months after the date of the enactment of this section the Panel shall select and establish code sets that are maintained by private and public entities as the Panel's official code sets for use in a national uniform working file system. The proposed regulations developed by the Panel shall provide that any changes or updates to such code sets that are established or requested by the private or public entity which maintains the code set—

"(i) shall preserve the informational value of data retained either within the uniform working file system or within the information systems of parties making use of the data and transactions standards, conventions, and requirements;

"(ii) shall include instructions on how existing data containing such codes is to be converted or translated so as to preserve its value;

"(iii) shall be incorporated into the official code set in such a manner as to minimize the disruption to the national uniform working file system and minimize the cost to all entities within the system for reprogramming to accommodate such changes or updates; and

"(iv) shall be implemented—

"(I) only after at least 90 days advance notice has been provided to participants in the health care system; and

"(II) no more frequently than on an annual basis.

"(4) ESTABLISHMENT OF UNIQUE IDENTIFIERS.—

"(A) IN GENERAL.—Not later than 9 months after the date of the enactment of this section the Panel shall develop unique identifiers for each participant in the health care system.

"(B) SPECIAL RULES.—

"(i) INDIVIDUALS.—Each individual shall have a unique identifier developed by the Panel.

"(ii) HEALTH CARE BENEFIT PLANS OR PROVIDERS.—In developing unique identifiers for each health insurance plan or provider, the Panel shall take into account multiple uses for such identifiers and shall consider multiple physical locations and specialty classifications for providers. The unique identifiers for health insurance plans or providers may be based on the system used under title XVIII on the date of the enactment of this section.

"(5) PRIVACY AND CONFIDENTIALITY STANDARDS.—

"(A) IN GENERAL.—Not later than 9 months after the date of the enactment of this section the Panel, after taking into consideration the Insurance Information and Privacy Protection Model Act of the National Association of Insurance Commissioners, other model legislation, and international guidelines, shall develop requirements which protect the privacy of participants in the health care system and ensure the confidentiality of information in the data interchange system.

"(B) PRINCIPLES CONSIDERED.—In developing the requirements referred to in subparagraph (A), the Panel shall take into consideration the following principles:

"(i) Information relating to an identifiable or identified individual should be collected only to the extent necessary to carry out the purpose for which the information is collected.

"(ii) Information relating to an identifiable or identified individual collected for a particular purpose should generally not be used for another purpose without the individual's informed consent unless the pooling of information renders an individual's data unidentifiable.

"(iii) Information relating to an identifiable or identified individual should be disposed of when no longer necessary to carry out the purpose for which it was collected, unless the pooling of information renders an individual's data unidentifiable.

"(iv) Methods to ensure the verifiability, timeliness, accuracy, reliability, utility, completeness, relevance, and comparability of information relating to an identifiable or identified individual should be instituted.

"(v) An individual should be notified in advance of the collection of information relating to such individual with regard to—

"(I) whether the furnishing of information is mandatory or voluntary;

"(II) the recordkeeping practices with respect to any information provided; and

"(III) the uses to be made of any information provided.

"(vi) If informed consent is necessary for the intended primary or secondary use of information relating to an identifiable or identified individual, the individual should be provided the opportunity to reject such uses at the time the information is collected, except where such uses are necessary to comply with law.

"(vii) An individual should be permitted to inspect and correct any information which concerns such individual and should be able to obtain information on how such information is being used.

"(6) TRANSFER OF INFORMATION BETWEEN HEALTH BENEFIT PLANS.—Not later than 9 months after the date of the enactment of this section, the Panel shall develop rules and procedures—

"(A) for determining the financial liability of health benefit plans when health care benefits are payable under two or more health benefit plans; and

"(B) concerning the transfer among health benefit plans of appropriate official data sets needed to carry out the coordination of benefits, the sequential processing of claims, and other health data as determined necessary by the Panel for individuals who have more than one health care benefit plan, according to the priorities established under the rules and procedures established under subparagraph (A).

"(7) FINES AND PENALTIES FOR FAILURE TO COMPLY.—

"(A) COMPLIANCE WITH STANDARDS FOR PRIVACY AND CONFIDENTIALITY.—Not later than 9 months after the date of the enactment of this section the Panel shall develop civil fines and penalties, as determined appropriate by the Panel, to enforce any of the requirements developed by the Panel under paragraph (5) relating to privacy and confidentiality. The civil penalties developed by the Panel under this subparagraph shall not be less than $1,000 for each violation.

"(B) COMPLIANCE WITH OTHER REQUIREMENTS.—

"(i) IN GENERAL.—Not later than 9 months after the date of the enactment of this section the Panel shall develop civil fines and penalties, as determined appropriate by the Panel, to enforce any of the requirements developed by this Panel under this section other than the requirements related to privacy and confidentiality. The civil fines and penalties developed by the Panel under this subparagraph shall not exceed $100 for each violation.

"(ii) LIMITATIONS.—

"(I) PENALTIES NOT TO APPLY WHERE NONCOMPLIANCE NOT DISCOVERED EXERCISING REASONABLE DILIGENCE.—No civil fine or penalty developed by the Panel under this subparagraph shall be imposed if it is established that the person liable for the fine or penalty did not know, and by exercising reasonable diligence would not have known, that such person failed to comply with any of the requirements described in clause (i).

"(II) PENALTIES NOT TO APPLY TO COMPLIANCE FAILURES CORRECTED WITHIN 30 DAYS.—No civil fine or penalty developed by the Panel under this subparagraph shall be imposed if—

"(aa) the failure to comply was due to reasonable cause and not to willful neglect, and

"(bb) the failure to comply is corrected during the 30-day period beginning on the 1st date the person liable for the fine or penalty knew, or by exercising reasonable diligence would have known, that the failure to comply occurred.

"(III) WAIVER.—In the case of a failure to comply which is due to reasonable cause and not to willful neglect, any civil fine or penalty developed by the Panel under this subparagraph may be waived to the extent that the payment of such fine or penalty would be excessive relative to the compliance failure involved.

"(j) REPORTS TO THE CONGRESS.—

"(1) LEGISLATIVE PROPOSAL ON CERTAIN CRIMINAL FINES AND PENALTIES.—Not later than 12 months after the date of the enactment of this section the Panel shall submit to the Congress a legislative proposal relating to any criminal fines and penalties determined appropriate by the Panel to enforce any of the requirements developed by the Panel under paragraph (5) relating to privacy and confidentiality.

"(2) ANNUAL REPORTS.—

"(A) IN GENERAL.—The Panel shall annually prepare and submit to Congress a report on—

"(i) the status of the data interchange system, including the system's ability to provide data on cost, quality, and patient satisfaction;

"(ii) the savings and costs of implementing the data interchange system; and

"(iii) any legislative recommendations related to the data interchange system.

"(B) AVAILABILITY TO THE PUBLIC.—Any information in the report submitted to Congress under subparagraph (A) shall be made available to the public unless such information may not be disclosed by law.

"(k) OVERSIGHT OF UNIFORM WORKING FILE, HEALTH CARE INFORMATION CLEARINGHOUSES, AND VALUE ADDED NETWORKS.—

"(1) PERIODIC REVIEWS.—Not later than 9 months after the date of the enactment of this section the Secretary shall establish a procedure for the periodic review of business practices, performance, and fees with respect to the uniform working file and each health care information clearinghouse and value added network to ensure that such entities are not taking unfair advantage of participants in the health care system through the application of any regulations promulgated by OMB under subsection (g).

"(2) CERTIFICATION PROCEDURE.—Not later than 12 months after the date of the enactment of this section the Panel shall establish a certification procedure for the uniform working file, health care information clearinghouses, and value added networks. The requirements for certification shall include—

"(A) adherence to the data and transaction standards and requirements and the privacy and confidentiality standards included in any regulations promulgated by OMB under subsection (g);

"(B) making public standardized indicators of performance such as accessibility, transaction responsiveness, administrative efficiency, reliability, dependability, and any other indicators determined appropriate by the Secretary; and

"(C) any other requirements determined appropriate by the Secretary.

"(l) DEFINITIONS.—For purposes of this section:

"(1) PARTICIPANT IN THE HEALTH CARE SYSTEM.—

"(A) IN GENERAL.—The term 'participant in the health care system' means any Federal health care program, State, administrator, employee welfare benefit plan, health insurance plan, insurer, or provider.

"(B) ADMINISTRATOR.—The term 'administrator' has the meaning given that term in section 3(16)(A) of the Employee Retirement Income Security Act of 1974.

"(C) EMPLOYEE WELFARE BENEFIT PLAN.—The term 'employee welfare benefit plan' has the meaning given that term in section 3(1) of the Employee Retirement Income Security Act of 1974.

"(D) HEALTH INSURANCE PLAN.—The term 'health insurance plan' means any contract or arrangement under which an entity bears all or part of the cost of providing health care items and services, including a hospital or medical expense incurred policy or certificate, hospital or medical service plan contract, or health maintenance subscriber contract (including any self-insured health insurance plan).

"(E) INSURER.—The term 'insurer' means any entity that offers a health insurance plan under which such entity is at risk for all or part of the cost of benefits under the plan, and includes any agent of such entity.

"(F) PROVIDER.—The term 'provider' means a physician, hospital, pharmacy, laboratory, or other person licensed or otherwise authorized under applicable State laws to furnish health care items or services.

"(H) STATE.—The term 'State' has the meaning given to such term by section 1101(a)(1).

"(2) HEALTH CARE INFORMATION CLEARINGHOUSE.—The term 'health care information clearinghouse' means a public or private entity that—

"(A) processes data that cannot be sent directly due to lack of proper formatting or editing; and

"(B) facilitates the translation of data to the standardized data set and code sets between persons who normally would send or receive the transaction;

but does not store information processed beyond the time required to complete its task and communicate the information.

"(3) HEALTH CARE VALUE ADDED NETWORK.—The term 'health care value added network' means any entity that provides additional services beyond the transmission of data or value, such as the storage of electronic data or value and the transfer of such data or value between health care entities.

"(4) CODE SETS.—The term 'code sets' means any codes used for supplying specific data in a uniform data set, including tables of terms, medical diagnostic codes, medical procedure codes, identification numbers, and any code sets of the National Uniform Billing Committee, the Health Care Financing Administration, or ANSI.

"NATIONAL HEALTH INFORMATICS COMMISSION

"SEC. 2102. (a) APPOINTMENT.—The Health Care Data Interchange Panel (referred to in this section as the 'Panel') shall provide for appointment of a National Health Informatics Commission (referred to in this section as the 'Commission') to advise the Panel on its activities.

"(b) MEMBERSHIP.—

"(1) IN GENERAL.—The Commission shall consist of 15 members. The Panel shall designate 1 member of the Commission as the Chairperson.

"(2) EXPERTISE.—Members of the Commission shall be individuals who—

"(A) represent different professions and different geographic areas, including urban and rural areas;

"(B) represent Federal or State government health programs;

"(C) represent applicable standard-setting groups, including the National Uniform Billing Committee, the Uniform Claim Form Task Force, American National Standards Institute, and the Healthcare Informatics Standards Planning Panel;

"(D) represent consumers of health care services; and

"(E) have expertise in—

"(i) electronic data interchange of health care information and computerized information systems associated with the operation and administration of matters relating to health care;

"(ii) the provision and financing of health care;

"(iii) conducting and interpreting health economics research;

"(iv) research and development of technological and scientific advances in health care;

"(v) health care eligibility, enrollment, and claims administration;

"(vi) health care financial management;

"(vii) health care reimbursement; or

"(viii) health care outcomes research.

"(3) TERMS.—The Chairperson shall serve on the Commission at the pleasure of the Panel. Each other member of the Commission shall be appointed for a term of 5 years, except with respect to the members first appointed—

"(A) 3 members shall be appointed for a term of 1 year;

"(B) 3 members shall be appointed for terms of 2 years;

"(C) 3 members shall be appointed for terms of 3 years;

"(D) 3 members shall be appointed for terms of 4 years; and

"(E) 2 members shall be appointed for terms of 5 years.

"(4) VACANCIES.—

"(A) IN GENERAL.—A vacancy on the Commission shall be filled in the manner in which the original appointment was made and shall be subject to any conditions which applied with respect to the original appointment.

"(B) FILLING UNEXPIRED TERM.—An individual chosen to fill a vacancy shall be appointed for the unexpired term of the member replaced.

"(C) EXPIRATION OF TERMS.—The term of any member shall not expire before the date on which the member's successor takes office.

"(c) MEETINGS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the Commission shall meet at the call of the Chairperson.

"(2) INITIAL MEETING.—No later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting.

"(3) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

"(d) DUTIES.—

"(1) IN GENERAL.—Not later than 60 days prior to any date on which the Panel is required to select, establish, or develop any requirements relating to the data interchange system, the Commission shall make recommendations to the Panel with respect to the issues relating to such requirements.

"(2) ADDITIONAL STUDIES AND PROJECTS.—As directed by the Panel, the Commission shall undertake such studies and projects as the Panel may deem necessary.

"(e) POWERS OF THE COMMISSION.—

"(1) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out the purposes of this section.

"(2) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the provisions of this section. Upon request of the Chairperson, the head of such department or agency shall furnish such information to the Commission.

"(3) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

"(4) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of services or property.

"(f) COMMISSION PERSONNEL MATTERS.—

"(1) COMPENSATION OF MEMBERS.—Each member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged

in the performance of the duties of the Commission. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

"(2) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

"(3) STAFF.—

"(A) IN GENERAL.—The Chairperson may, without regard to civil service laws and regulations, appoint and terminate such personnel as may be necessary to enable the Commission to perform its duties.

"(B) COMPENSATION.—The Chairperson may fix the compensation of personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

"(C) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

"(D) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairperson may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

"(E) CONTRACTS.—The Chairperson may enter into contracts or other arrangements that may be necessary for the Commission to perform its duties.

"(F) INTERNAL ORGANIZATION.—The Chairperson may prescribe such rules as the Chairperson determines necessary with respect to the internal organization of the Commission. The Commission shall create such committees (composed of Commission members and others as appointed by the Chairperson) as necessary to enable the Commission to meet its responsibilities and functions.

"(g) REPORTS.—The Commission shall submit to the Panel such reports as may be requested by the Panel on each study or project conducted by the Commission. Such reports shall contain such information as requested by the Panel.

"(h) TERMINATION OF COMMISSION.—The Commission shall terminate 20 years after the date of the enactment of this Act.

"(i) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

"(2) AVAILABILITY.—Any sums appropriated under the authorization contained in this subsection shall remain available, without fiscal year limitation, until expended.".

"PILOT GRANTS

"SEC. 2103. (a) COMMUNICATION LINKS.—

"(1) IN GENERAL.—The Secretary of Health and Human Services may make grants to at least two, but not more than five, community organizations, or coalitions of health care providers, health insurers, and purchasers, to establish, and document the efficacy of, communication links between the information systems of health insurers and of health care providers.

"(2) COMPLIANCE WITH REQUIREMENTS OF HEALTH CARE DATA INTERCHANGE SYSTEM.—The communication links developed under paragraph (1) shall be operated in accordance with applicable regulations promulgated by OMB under section 2101(g).

"(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this subsection for fiscal year 1994, to remain available until expended.

"(b) REGIONAL OR COMMUNITY-BASED CLINICAL INFORMATION SYSTEMS.—

"(1) IN GENERAL.—The Secretary may make grants to at least 2, but not more than 5, public or private nonprofit entities for the development of regional or community-based clinical information systems.

"(2) COMPLIANCE WITH REQUIREMENTS OF HEALTH CARE DATA INTERCHANGE SYSTEM.—The systems developed under paragraph (1) shall be operated in accordance with applicable regulations promulgated by OMB under section 2101(g).

"(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this subsection for fiscal year 1994, to remain available until expended.

"(c) AMBULATORY CARE DATA SETS.—

"(1) IN GENERAL.—The Secretary may make grants to public or private nonprofit entities to develop and test, for electronic medical data generated by physicians and other entities (other than hospitals) that provide health care services—

"(A) the definition of a set of data elements, and

"(B) the specification of, and manner of presentation of, the individual data elements of the set under subparagraph (A).

"(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this subsection for fiscal year 1994, to remain available until expended.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall be effective on the date of the enactment of this Act.

INTRODUCTION OF THE HEALTH INFORMATION MODERNIZATION AND SECURITY ACT, SENATOR CHRISTOPHER S. BOND

The crisis in health care which we face today demands comprehensive reform. It is my hope that Congress will work carefully and quickly to enact reform as the families, children, individuals and businesses who face ever rising costs and diminishing access under the current system cannot afford to wait any longer. While I have worked hard on the broader issues of health care reform, today, I am going to focus on one set of those problems, reducing administrative costs.

There is a blizzard of paperwork that is a nightmare for patients, hospitals, doctors and businesses in this country. Everyone would agree that a solution must be found that reduces these costs and the burden they are placing on our health care system and the ability of people to afford it. A study conducted by Lewin-VHI earlier this year estimated that administrative costs add $135 billion in health costs in the United States. These costs are escalated by the unwieldy inefficient paperwork-blizzard billing system that has evolved in this country.

Having an effective information system is critical for health care reform. Health care is an information business. Everything in the health care system revolves around having the right information at the right time whether your talking about having the latest diagnostic or therapeutic information or having up-to-date insurance coverage information on a patient.

In other sectors where accurate and timely information is key to production, the investment has been made in information systems. There are good explanations for why health care has been slow to invest in information systems. There are barriers such as so-called quill pen laws that require information to be sent and kept on paper. There is a lack of standards for the data and their is a lack of discipline on the part of insurers to agree unanimously to a common set of data to use for billing purposes. These are just a couple examples of the barriers to overcome.

In March of 1992, I introduced, along with Senator Riegle, the Health Insurance Simplification and Portability Act. The main purposes of this bill was to reduce administrative costs and protect consumers from insurance rip-offs. I am proud to say that this was one of the few bipartisan health bills to be introduced still to date and that signals the importance of these reforms to the future of our health system.

Later that year, I introduced the Medical and Health Insurance Information Reform act which was the Bush Administration's proposal for bringing administrative costs under control.

Today, I am here to introduce the Health Information Modernization and Security Act. Again, I am pleased to continue with Senator Riegle the work we began more than a year ago. Since introducing that bill we have been meeting with consumers, medical information systems experts, and representatives from hospitals and doctors offices. The bill has undergone transformation in that process and I believe that we have made significant improvements.

Over the past year, I have been meeting with health providers, insurers, claims clearinghouses, telecommunications experts, consumers, and many others to ask the question: what should the proper federal role be? We have been watching very closely the efforts of the Working Group on Electronic Data Interchange and have followed as closely as possible their recommendations. We have worked closely with the American Hospital Association and the Healthcare Financial Management Association, the Health Insurance Manufacturers Associations and many others.

My goal has been to draft legislation to propose what the experts are saying can be done to facilitate the development of a viable market in this area and lead to the eventual implementation of electronic solutions to many information problems that exist in health care today. These problems go far beyond financial and billing data but permeate a larger information dilemma that extends all the way to the medical record.

In determining the proper federal role, the experts have been telling us is that first they don't want government to be part of the problem. That should be obvious but as well all know is may times easier said than done.

Secondly, they want the government to adopt or certify a set of standards and conventions for electronic data interchange that would apply to all transactions in the health care system from financial transactions and eventually to complex clinical information. In adopting these standards, the government should recognize the value of the ANSI standards and other standards that have already been adopted or are in development

and NOT try to reinvent the wheel. Where standards already exist, those are the standards that should be adopted.

These standards for data, including insurance claims data, would be mandatory after a 1-year grace period. This means that providers will no longer be forced to wade through the multiple forms and formats and requests for additional data for billing in order to get paid. The major insurers in the country have already agreed to move voluntarily to a set of standards but this bill insure that this agreement is universal. Without a universal agreement to common standards, there will be no lowering of administrative costs and our hospitals and doctors will still have this administrative waste against their bottom line.

And lastly, but most importantly, legislation is needed to protect the privacy and confidentiality of patient data. The importance of this effort must be underscored. We must ensure that access to data that includes patient identifiers is secure.

The government should play only the minimal role needed to help the market work. Government should not design the solution. If the government tried to design the solution we'd end up with another set of multimillion dollar DOD toilet seats and we would not solve the problems.

This health care information system will lower administrative costs, improve the quality of care and help us to learn what works and what does not work in health care. This system will provide innumerable benefits to our health care system and to the patients who rely on it. In fact, these systems are already in place in many areas and improving the quality of care today.

This information system also plays a critical role in health care reform. In order for any system framed upon the concept of managed competition to work, you must have accurate data on cost and quality. This is fundamental to effective competition. Consumers must have comparative information on cost and quality to make purchasing decisions and health plans will rely on the data to build networks of high quality, low cost health providers. Data will also be needed to perform risk adjustment. Without good data, managed competition won't work. It's that simple.

So, the data system is critical on three levels, (1) to reduce administrative costs and eliminate the hassle of burdensome paperwork, (2) to improve the quality of care by providing accurate diagnostic and up-to-date therapeutic information at the point of care, and (3) to provide the comparative data on cost, quality and patient satisfaction that is needed to make health care reform work.

Let me say once again how grateful I am to be working with Senator Riegle to move these reforms forward. It is important that we continue with the spirit of bipartisanship to enact comprehensive health care reform that includes legislation to reduce administrative costs and improve the quality of care.

I urge my colleagues to cosponsor this bill so that we can put the tools in place to make competition work and rid the health system of administrative waste and fraud.

HEALTH INFORMATION MODERNIZATION AND SECURITY ACT, SENATOR CHRISTOPHER "KIT" BOND

Purpose: To reduce administrative waste in the health care system, enact strict patient privacy and confidentiality requirements, provide for the information infrastructure necessary for comprehensive health care reform, provide the information on cost and quality needed to make competition work, create the tools needed to conduct outcomes research to improve the quality of care, and to make it possible to track down fraud.

A. ESTABLISHES HEALTH CARE DATA PANEL

Establishes a federal Health Care Data Panel consisting of the Secretaries or designees from HHS, DOD, and VA plus representatives from NIST and NTIA. HHS chairs the Panel and would appoint the remaining four members.

B. DUTIES OF THE HEALTH CARE DATA PANEL

(1) Adopt data standards for the electronic exchange of health care information that supply to federal agencies and to the private sector. Such standards:

(a) Are based on existing, widely-adopted standards where possible.

(b) Include data related to enrollment, eligibility, quality measurement, utilization management, risk assessment, patient satisfaction, outcomes and appropriate data to monitor access to health care services, and other data sets as deemed appropriate by the panel.

(c) Are set according to the following timetable:

i. 9 months after enactment: financial and administrative transactions;

ii. 12 months after enactment: initial quality indicator data set derived from data in the financial data set; and

iii. 2 years after enactment: a comprehensive clinical data set

(2) Establish business practices for the operation of a national linked database system for the exchange of health care information.

(3) Criminal Penalties for Violating Privacy and Confidentiality. Develop appropriate civil penalties for violation of data standards not to exceed $100 per violation. Develop civil and criminal penalties as appropriate for enforcement of privacy and confidentiality standards with a minimum of $1,000 per violation.

Requirements to Use Uniform Data. There is a one-year grace period for adopting established standards. In no case are civil penalties imposed until at least one year after standards are adopted. In the case of the more complicated clinical data set, there is a 2 year grace period. There are waivers for small and rural hospitals and others under certain circumstances.

A Health Informatics Commission composed of private sector experts will advise the Panel.

C. HHS MONITORS IMPLEMENTATION

HHS oversees the private sector implementation of standards as set forth by the Administrative Standards Panel; establishes and oversees a certification procedure for database, computer and network vendors to insure they are complying with requirements for standards and patient privacy and confidentiality.

D. STRICT PRIVACY AND CONFIDENTIALITY REQUIREMENTS.

Establishes patient privacy and confidentiality requirements.

(1) Such information should be collected only to the extent necessary to carry out the purpose for which the information is collected.

(2) Such information collected for one purpose should not be used for another purpose without the individual's informed consent, unless the pooling of the information with that of other individuals renders the individual unidentifiable.

(3) Such information should be disposed of when no longer necessary to carry out the purpose for which it was collected, unless the posting of the information with that of other individuals renders the individual unidentifiable.

(4) Methods to ensure the verifiability, timeliness, accuracy, reliability, utility, completeness, relevance, and comparability of such information should be instituted.

(5) Individuals should be notified (in advance of the collection of such information) as to whether the furnishing of such information is mandatory or voluntary, as to what the record keeping practices are concerning such information and as to what use will be made of such information.

(6) Individuals should be permitted to inspect and correct such information concerning themselves, and should be able to request how their information is being used and by whom.

Mr. RIEGLE. Mr. President, if I may be recognized in my own right——

The PRESIDING OFFICER. The Senator must request consent to speak as if in morning business.

Mr. RIEGLE. I ask unanimous consent to speak for a period not to exceed 4 minutes as if in morning business.

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

Mr. RIEGLE. Mr. President, I want to thank the Senator from Missouri, Senator BOND, and commend him for his important leadership on this issue.

I have in my hand here the health security card like the one that President Clinton held up the other night during the joint session. This is the card that every citizen would have in the revised health care reform plan that is now being presented. A key principle of that plan is what was called simplification; in other words, how do we actually handle our medical recordkeeping to keep it accurate, to make it timely, to make sure we have the medical information we need in the event of an emergency arising? For example, if we are traveling in another State; the doctors there can have access to the medical facts relating to a member of our family if that need should arise.

Senator BOND and I and our staffs have been working now well over a year to come up with an approach to establish standards with respect to how medical information will be collected, maintained, and retrieved, using all of the positive features of modern technology. We do, in fact, have several such companies, and innovations on display here today. One company, Medstat Systems, from Michigan, is one that is here demonstrating that today.

But in the interest of time, I want to say this: The President the other night called for bipartisan cooperation in solving this health care issue. He laid out six different areas. One of those was simplification, which can lead to cost efficiency.

I think the work that Senator BOND and I are doing with other colleagues, Republicans and Democrats, is an illustration of the fact that we can work together to solve each of these areas in

the health care system, to improve them, to work through them; and where there are differences, sit down and resolve those differences and come up with better answers; to be able to deliver better health care services, and get the costs down where there is inefficiency. We know we are wasting billions of dollars on paperwork right now in a system that really goes nowhere. There is not even a standard form to be used.

There needs to be a standard insurance form. There are over 1,500 different insurance companies right now, and literally hundreds and hundreds of different forms that are in use.

That can be streamlined; it can be made technologically efficient and cheaper now to handle that information, and to do it with the kinds of protections that Senator BOND talks about. People's medical records are absolutely private, or should be; they belong to a person. As we develop the system here to get the costs down, we want to make sure that the protections are there as they need to be.

So in terms of moving ahead, I think today's effort by the two of us, and others joining us, is a measure of the fact that Members of both parties can tackle parts of this problem and can work it through. I think we should set for ourselves the goal of having the health care reform package done no later than October 1 of next year, which gives us roughly a year.

I think we can do it with respect to taking and standardizing much of the recordkeeping and the data flow in the health care system, and giving real meaning to the use of health care cards such as the one I am holding here in my hand.

I thank my colleague from Missouri. I thank the Chair.

ADDITIONAL COSPONSORS

S. 208

At the request of Mr. BUMPERS, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 208, a bill to reform the concessions policies of the National Park Service, and for other purposes.

S. 495

At the request of Mr. DODD, the name of the Senator from Nebraska [Mr. KERREY] was added as a cosponsor of S. 495, a bill to establish a program to provide child care through public-private partnerships, and for other purposes.

S. 798

At the request of Mr. BRYAN, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 798, a bill to amend the Federal Fire Prevention and Control Act of 1974 to establish a program of grants to States for arson research, prevention, and control, and for other purposes.

S. 993

At the request of Mr. KEMPTHORNE, the names of the Senator from Arizona [Mr. DECONCINI], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Oregon [Mr. PACKWOOD] were added as cosponsors of S. 993, a bill to end the practice of imposing unfunded Federal mandates on States and local governments and to ensure that the Federal Government pays the costs incurred by those governments in complying with certain requirements under Federal statutes and regulations.

S. 1118

At the request of Mr. HATFIELD, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 1118, a bill to establish an additional National Education Goal relating to parental participation in both the formal and informal education of their children, and for other purposes.

S. 1256

At the request of Mr. DOLE, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of S. 1256, a bill to amend the Foreign Assistance Act of 1961 to examine the status of the human rights of people with disabilities worldwide.

S. 1437

At the request of Mr. DOLE, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 1437, a bill to amend section 1562 of title 38, United States Code, to increase the rate of pension for persons on the Medal of Honor roll.

S. 1447

At the request of Mr. BRYAN, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of S. 1447, a bill to modify the disclosures required in radio advertisements for consumer leases, loans and savings accounts.

SENATE JOINT RESOLUTION 130

At the request of Mr. KEMPTHORNE, the names of the Senator from Colorado [Mr. BROWN], the Senator from Montana [Mr. BURNS], the Senator from Georgia [Mr. COVERDELL], the Senator from Idaho [Mr. CRAIG], the Senator from Arizona [Mr. DECONCINI], the Senator from Texas [Mrs. HUTCHISON], the Senator from Indiana [Mr. LUGAR], the Senator from Oregon [Mr. PACKWOOD], the Senator from South Dakota [Mr. PRESSLER], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of Senate Joint Resolution 130, a joint resolution designating October 27, 1993, as "National Unfunded Federal Mandates Day."

SENATE JOINT RESOLUTION 133

At the request of Mr. WELLSTONE, the name of the Senator from Wisconsin [Mr. FEINGOLD] was added as a cosponsor of Senate Joint Resolution 133, to ensure that Members of Congress participate on an equal basis with their constituents in the health care system that results from health care reform legislation.

SENATE CONCURRENT RESOLUTION 20

At the request of Mr. LIEBERMAN, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of Senate Concurrent Resolution 20, a concurrent resolution relative to Taiwan's Membership in the United Nations.

SENATE CONCURRENT RESOLUTION 31

At the request of Mr. DODD, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of Senate Concurrent Resolution 31, a concurrent resolution concerning the emancipation of the Iranian Baha'i community.

SENATE RESOLUTION 128

At the request of Mr. LAUTENBERG, the names of the Senator from Alabama [Mr. SHELBY] and the Senator from Nevada [Mr. BRYAN] were added as cosponsors of Senate Resolution 128, a resolution expressing the sense of the Senate regarding the protection to be accorded United States copyright-based industries under agreements entered into pursuant to the Uruguay round of trade negotiations.

SENATE CONCURRENT RESOLUTION 44—RELATIVE TO INTERNATIONAL YEAR OF THE WORLD'S INDIGENOUS PEOPLES

Mr. AKAKA (for himself, Mr. PELL, Mr. INOUYE, Mr. CAMPBELL, Mr. KENNEDY, Mr. MURKOWSKI, Mr. DASCHLE, Mr. JEFFORDS, and Mr. STEVENS) submitted the following concurrent resolution, which was referred to the Committee on Foreign Relations:

S. CON. RES. 44

Whereas United Nations Resolution 45/164 of December 18, 1990, proclaimed the year 1993 as the International Year of the World's Indigenous Peoples, in order to strengthen international cooperation for a solution to the problems faced by indigenous communities in areas such as human rights, the environment, development, education, and health;

Whereas indigenous peoples are descendants of the original inhabitants of many countries with diverse cultures, religions, languages, and social and economic customs;

Whereas an estimated 300 million indigenous peoples live in more than 70 countries, including the United States;

Whereas indigenous peoples are often disadvantaged and face common difficulties in their homelands, including issues such as self-determination, the preservation of land and natural resources, the preservation of culture, arts, and language, and dismal social and economic conditions;

Whereas many indigenous peoples continue to face discrimination and exploitation in their homelands;

Whereas the rights and social and economic conditions of indigenous peoples have often been overlooked by individual nations and the international community; and

Whereas the United Nations Working Group on Indigenous Populations has drafted a Declaration on the Rights of Indigenous Peoples: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) the United States should play an active role in cooperating with indigenous peoples, the United Nations, and national governments to promote public awareness of and improve the political, social, and economic conditions of indigenous peoples;

(2) the United States should address the rights and improve the social and economic conditions of its own indigenous peoples, including Native American Indians, Alaska Natives, Native Hawaiians, Chamorros, American Samoans, and Palauans;

(3) the United States should actively support the United Nations in its efforts to establish international standards on the rights of indigenous peoples; and

(4) the United States recognizes that the year 1993 is an insufficient time period for promoting public awareness of the plight of indigenous peoples and urges the United Nations to proclaim an International Decade of the World's Indigenous Peoples.

Mr. AKAKA. Mr. President, I submit a sense-of-Congress resolution concerning the International Year of the World's Indigenous Peoples.

The impetus for this legislation stems from the sad realization that 1993, which has been designated by the United Nations as the International Year of the World's Indigenous Peoples, is nearly gone. Yet, there has been no official recognition or acknowledgement by Congress of this proclamation or of its importance to advocacy for the rights of indigenous peoples.

As a native Hawaiian, I know how issues related to indigenous peoples get relegated to the backburner in national and international priorities.

Fortunately, the United Nations recognizes that the plight of indigenous peoples is an important issue and that international cooperation must be strengthened to address common problems in areas such as human rights, the environment, development, education, and health.

The United States needs to recognize the plight of indigenous peoples as well. We often take an active role in global issues such as peace, world security, the environment, and human rights issues. The rights of the world's indigenous peoples are no less important.

As we reflect on the International Year of the World's Indigenous Peoples, I simply ask my colleagues to give equal energy to the rights of indigenous peoples as we give other important issues in our Nation's domestic and foreign policies.

My resolution urges the United States to play an active role in cooperating with indigenous peoples, the United Nations, and national governments to promote public awareness of and improve the political, social, and economic conditions of indigenous peoples.

Public awareness can only be obtained through greater support and cooperation. One year is not a sufficient period of time to promote an awareness of the rights of indigenous peoples. For this reason, my resolution urges that the United States should continue to actively support the United Nations in its efforts to establish international standards on the rights of indigenous peoples and urges the United Nations to proclaim an International Decade on the World's Indigenous Peoples.

I ask my colleagues to support my resolution and commend the United Nations for its efforts to address the common problems faced by indigenous peoples, peoples whose voices long to be heard.

AMENDMENTS SUBMITTED

LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION APPROPRIATIONS ACT FOR 1994

WELLSTONE (AND OTHERS) AMENDMENT NO. 966

Mr. WELLSTONE (for himself, Mr. MITCHELL, Mr. DOLE, Mrs. BOXER, Mr. SPECTER, Mrs. MURRAY, Mr. HARKIN, Mr. BRYAN, Mr. WOFFORD, and Mr. GRASSLEY) proposed an amendment to the bill (H.R. 2518) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1994, and for other purposes, as follows:

At the appropriate place, insert the following:

"SEC. . CONGRESSIONAL COVERAGE UNDER HEALTH CARE LEGISLATION.

(1) FINDINGS.—Congress finds:

(A) Congress is expected to consider health care reform legislation in the near future that would offer a standard benefit package with several different options for the delivery of those benefits.

(B) The standard benefits offered under all plans will be the same. Quality standards will apply to all plans.

(C) Consumers will have the ability to choose a plan on an annual basis, and will have access to full information about all plans so that they may make their choice based on the quality of plans and consumer satisfaction of plans.

(D) Members of Congress should be treated the same and afforded the same choices as every American in the health care system.

(2) SENSE OF THE CONGRESS.—It is the Sense of the Congress that any legislation approved by Congress should provide health care plans of comparable high quality and that Members of Congress participate on an equal basis with all other Americans in the health care system that results from health care reform legislation.

HARKIN AMENDMENTS NOS. 967 AND 968

Mr. HARKIN proposed two amendments to the bill (H.R. 2518), supra, as follows:

AMENDMENT NO. 967

On page 20, line 15, before the word "*Provided,*" insert the following: "*Provided further,* That no more than $5,000,000 is available for carrying out the provisions of Public Law 102-501:".

AMENDMENT NO. 968

On page 55, line 5, strike "and" and all through "part B" on line 6 and insert in lieu thereof: ", subpart 1 of part B and part D".

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for my colleagues and the public that a hearing has been scheduled before the Committee on Energy and Natural Resources.

The purpose of the hearing is to receive testimony on S. 447, the Insular Areas Policy Act.

The hearing will take place on Thursday, October 21, at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building, First and C Streets NE, Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the printed hearing record should send their comments to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510, Attention: Heather Hart.

For further information, please contact Lisa Vehmas of the committee staff at 202/224-7555.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. EXON. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for a hearing on the nominations of Hulett H. Askew; LaVeeda Morgan Battle; John T. Broderick, Jr.; John G. Brooks; Douglas S. Eakeley; Edna Fairbanks-Williams; William F. McAlpin; Maria Luisa Mercado; Nancy Rogers; Thomas F. Smegal; and Ernestine Watlington to the Legal Services Corporation Board, during the session of the Senate on Friday, September 24, 1993, at 10 a.m.

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

ADDITIONAL STATEMENTS

CRITICAL SUBMARINE SUPPLIERS

• Mr. D'AMATO. Mr. President, let me clarify something: when we talk about critical submarine suppliers, we are not talking about shipyards. Critical vendors are those that must meet stringent quieting or Subsafe requirements or manufacture items unique to submarines, such as torpedo tubes, periscopes, and sonar bow domes. The hull for which shipyards are responsible is nothing more than a husk, a

metallic shell into which the brains, sensors, and guts of a submarine are stuffed.

Shipyard skills are transferable. Witness the eddy and flow of artisans between submarine and aircraft carrier work. The same is not true for critical subcontractors whose skills, technology, and tooling reflect the unique environment in which submarines operate. The essential core of these suppliers work only on submarines, and these are the vendors that we need to bridge to *Centurion*. Without them, *Centurion* will simply be a hole in the water.

For that reason, I have expressed deep concern regarding the use of the $540 million the Navy has released to continue work on the SSN-23. How this money will be spent is totally unclear. It is nearly 2 years since the *Seawolf* was terminated, and Congress still has not received the promised submarine industrial base study from the Pentagon. Before we part with a half billion dollars, it would be nice to know what it was going for, to whom, why, and when.

To that end, I have posed a series of questions to both the Navy and OSD. Maybe I'll get an answer, maybe I won't. But understand this: I am fully prepared to offer an amendment prohibiting the obligation of any funds on a third *Seawolf* until such time as the Navy deigns to tell us, in detail, where, and for what, $540 million will be spent.●

ORDERS FOR SEPTEMBER 27, 1993

Mr. EXON. Mr. President, on behalf of the majority leader, I ask unanimous consent that when the Senate completes its business today, it stand adjourned until 12:30 p.m., Monday, September 27, and that when the Senate reconvenes on Monday, September 27, the Journal of the proceedings be deemed to have been approved to date; that the call of the calendar be waived, and no motions or resolutions come over under this rule; that the morning hour be deemed to have expired; and that the time for the two leaders be reserved for their use later in the day; and that the Senate then resume consideration of H.R. 2518, the Labor-HHS appropriations bill.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

ADJOURNMENT UNTIL MONDAY, SEPTEMBER 27, 1993, AT 12:30 P.M.

Mr. EXON. Mr. President, if there is no further business to come before the Senate today, I now move that the Senate stand adjourned until 12:30 p.m., Monday, September 27.

The motion was agreed to, and the Senate, at 3:36 p.m., adjourned until Monday, September 27, 1993, at 12:30 p.m.

NOMINATIONS

Executive nominations received by the Senate September 24, 1993:

SMALL BUSINESS ADMINISTRATION

CASSANDRA M. PULLEY, OF THE DISTRICT OF COLUMBIA, TO BE DEPUTY ADMINISTRATOR OF THE SMALL BUSINESS ADMINISTRATION, VICE PAUL H. COOKSEY, RESIGNED.

DEPARTMENT OF COMMERCE

GINGER EHN LEW, OF CALIFORNIA, TO BE GENERAL COUNSEL OF THE DEPARTMENT OF COMMERCE, VICE WENDELL LEWIS WILLKIE II, RESIGNED.

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

JOHN CHRYSTAL, OF IOWA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION FOR A TERM EXPIRING DECEMBER 17, 1994, VICE H. DOUGLAS BARCLAY, TERM EXPIRED.

NATIONAL MEDIATION BOARD

ERNEST W. DUBESTER, OF NEW JERSEY, TO BE A MEMBER OF THE NATIONAL MEDIATION BOARD FOR A TERM EXPIRING JULY 1, 1995, VICE JOSHUA M. JAVITS, TERM EXPIRED.

EVIRONMENTAL PROTECTION AGENCY

JONATHAN Z. CANNON, OF VIRGINIA, TO BE AN ASSISTANT ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY, VICE CHRISTIAN R. HOLMES IV, RESIGNED.

JONATHAN Z. CANNON, OF VIRGINIA, TO BE CHIEF FINANCIAL OFFICER, ENVIRONMENTAL PROTECTION AGENCY, VICE CHRISTIAN R. HOLMES IV, RESIGNED.

HOUSE OF REPRESENTATIVES—*Friday, September 24, 1993*

The House was not in session today. Its next meeting will be held on Monday, September 27, 1993, at 1 p.m.

CONFERENCE REPORT ON H.R. 2403

Pursuant to the order of September 24, 1993, Mr. HOYER submitted the following conference report and statement on the bill (H.R. 2403) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1994, and for other purposes:

CONFERENCE REPORT (H. REPT. 103–256)

The Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2403) "making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1994, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 12, 16, 26, 28, 37, 38, 39, 56, 58, 74, 79, 81, 84, 86, 87, 89, 90, 91, 95, 96, 100, 104, and 105.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 7, 8, 10, 11, 15, 17, 18, 19, 21, 22, 23, 27, 30, 31, 32, 36, 41, 44, 45, 46, 52, 53, 57, 59, 60, 61, 62, 66, 68, 69, 70, 72, 73, 75, 80, 83, 85, 92, 93, 98, and 99, and agree to the same.

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert: *of which not less than $6,352,000 shall be available for enforcement activities; not to exceed $1,500,000 to remain available until expended shall be available for systems modernization requirements;* ; and the Senate agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$105,150,000*; and the Senate agree to the same.

Amendment numbered 4:

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$32,500,000*; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$47,445,000*; and the Senate agree to the same.

Amendment numbered 9:

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows:

In lieu of "$368,046,000" named in said amendment, insert: *$366,446,000*; and the Senate agree to the same.

Amendment numbered 13:

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert: *: Provided further, That no funds made available by this or any other Act may be used to implement any reorganization of the Bureau of Alcohol, Tobacco and Firearms or transfer of the Bureau's functions, missions, or activities to other agencies or Departments in the fiscal year ending on September 30, 1994*; and the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$1,350,668,000*; and the Senate agree to the same.

Amendment numbered 20:

That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment, insert: *$5,000,000*; and the Senate agree to the same.

Amendment numbered 24:

That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert: *$4,007,962,000, of which not to exceed $1,000,000 shall remain available until expended for research; and of which not less than $350,000,000 shall be available for tax fraud investigation activities*; and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$1,471,448,000*; and the Senate agree to the same.

Amendment numbered 29:

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

SEC. 101A. Any obligation or expenditure by the Secretary in connection with law enforcement activities of a Federal agency or of a Department of the Treasury law enforcement organization in accordance with 31 U.S.C. 9703(g)(4)(B) from unobligated balances remaining in the Fund on September 30, 1994, shall be made in compliance with the reprogramming guidelines contained in the House and Senate reports accompanying H.R. 2403, an Act making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1994.

And the Senate agree to the same.

Amendment numbered 33:

That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment, as follows:

In lieu of the section number named in said amendment insert: *105*; and the Senate agree to the same.

Amendment numbered 34:

That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

SEC. 106. (a) Notwithstanding any other provision of law, hereafter, for purposes of complying with Executive Order No. 12839 and guidance issued thereunder, the number of civilian personnel positions that the Department of the Treasury may be required to eliminate in fiscal year 1994 and in fiscal year 1995 shall not exceed a number determined for each year by multiplying a fiscal year 1993 base which excludes all exempt positions by the applicable percentages in Executive Order No. 12839.

(b) For the purposes of this section, "exempt position" means a personnel position in the Department of the Treasury which the Secretary of the Treasury determines to be primarily employed in law enforcement.

And the Senate agree to the same.

Amendment numbered 35:

That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

SEC. 107. The Internal Revenue Service shall institute policies and procedures which will safeguard the confidentiality of taxpayer information.

SEC. 108. AMENDMENT TO TITLE 5.—(a) Title 5 of the United States Code is amended—

(1) in section 5316, by striking "Commissioner of Customs, Department of the Treasury."; and

(2) in section 5315, by adding at the end "Commissioner of Customs, Department of the Treasury.".

(b) The amendments made by this section shall take effect on the first applicable pay period after enactment.

SEC. 109. Notwithstanding any other provision of this Act, aircraft which is one-of-a-kind and has been identified as excess to Customs requirements, and aircraft which is damaged beyond repair, may be transferred from the Department of the Treasury during fiscal year 1994 upon the advance approval of the House and Senate Committees on Appropriations.

SEC. 110. The funds provided to the Bureau of Alcohol, Tobacco and Firearms for fiscal year

1994 in this Act for the enforcement of the Federal Alcohol Administration Act shall be expended in a manner so as not to diminish enforcement efforts with respect to Section 105 of the Federal Alcohol Administration Act.

And the Senate agree to the same.

Amendment numbered 40:

That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *$11,687,000: Provided, That the Office of National Drug Control Policy shall hire and maintain not less than 40 full-time equivalent positions in fiscal year 1994*; and the Senate agree to the same.

Amendment numbered 42:

That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

For activities authorized by Public Law 100-690, $52,500,000, of which $28,000,000 shall be derived from deposits in the Special Forfeiture Fund; of which $25,000,000 shall be transferred to the Substance Abuse and Mental Health Services Administration, and of which $10,000,000 shall be available to the Center for Substance Abuse Prevention for community partnership grants, and of which $5,000,000 shall be available to the Center for Substance Abuse Prevention for the residential women/children program, and of which $10,000,000 shall be available for the Substance Abuse Prevention and Treatment Block Grant to the States; of which $7,500,000, to remain available until expended, shall be transferred to the Counter-Drug Technology Assessment Center for counternarcotics research and development projects and shall be available for transfer to other Federal departments or agencies; of which $5,000,000 shall be transferred to the Bureau of Alcohol, Tobacco and Firearms for gang resistance education and training programs; of which $6,000,000 shall be transferred to the Internal Revenue Service, "Tax law enforcement" account, for criminal investigations; of which $4,000,000 shall be transferred to the Drug Enforcement Administration for the enhancement of the El Paso Intelligence Center; and of which $5,000,000 shall be transferred to drug control agencies in amounts to be determined by the Director, upon the advance approval of the House and Senate Committees on Appropriations.

And the Senate agree to the same.

Amendment numbered 43:

That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

SALARIES AND EXPENSES

For necessary expenses of the Administrative Conference of the United States, established by the Administrative Conference Act, as amended (5 U.S.C. 571 et seq.), including not to exceed $1,000 for official reception and representation expenses, $1,800,000.

Section 401. (a) Notwithstanding any other provision of law, a Federal agency when purchasing toner cartridges for use in laser printers, photocopiers, facsimile machines, or micrographic printers is authorized to give preference to remanufactured toner cartridges made in the United States by small businesses and, recycled toner cartridges unless the contracting or purchasing officer determines in writing that—

(1) adequate market research establishes that remanufactured or recycled cartridges for the type of equipment used by the agency do not exist,

(2) the price or life cycle cost offered for the cartridges is higher than the original equipment manufacturer's new cartridge, or

(3) remanufactured or recycled cartridges are not available in quantities needed within the timeframes required.

(b) Nothing in this section shall prohibit the purchase of one newly manufactured cartridge (or a number equal to those normally supplied at the time of initial purchase) as a part of an initial printer or copier acquisition.

(c) The provision of this section shall not affect current law with respect to Organizations for the Blind or Other Severely Handicapped (NIB/NISH).

And the Senate agree to the same.

Amendment numbered 47:

That the House recede to its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment, insert: *$288,486,000*; and the Senate agree to the same.

Amendment numbered 48:

That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *$5,251,117,306*; and the Senate agree to the same.

Amendment numbered 49:

That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$925,027,306*; and the Senate agree to the same.

Amendment numbered 50:

That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

Alabama:

Montgomery, U.S. Courthouse Annex, $13,091,000

Arkansas:

Little Rock, Old Law School Building Expansion/Alteration, $13,816,040

Arizona:

Phoenix, U.S. Courthouse, $120,000,000

Safford, a grant to the U.S. Forest Service for Administrative Offices and Cultural Center, $5,000,000

Sierra Vista, U.S. Magistrates Office, $1,000,000

California:

Sacramento, Federal Building and U.S. Courthouse, $143,082,450

San Jose, Federal Office Building, claim, $1,828,680

Santa Ana, Federal Building and U.S. Courthouse, $103,000,000

Florida:

Jacksonville, U.S. Courthouse, site acquisition and design, $6,070,120

Tampa, U.S. Courthouse, $66,696,840

Georgia:

Atlanta, Centers for Disease Control, Laboratory and office building, $12,000,000

Augusta, U.S. Courthouse, $1,000,000

Indiana:

Hammond, U.S. Courthouse, $49,980,000

Iowa:

Burlington, Federal Parking Facility, design and construction, $2,400,000

Maryland:

Bowie, Bureau of the Census, Computer Center, $27,915,000

Montgomery and Prince George's Counties, Food and Drug Administration, consolidation, site acquisition, planning and design, construction, $73,921,000

Massachusetts:

Boston, Federal Building and U.S. Courthouse, $18,620,000

Missouri:

Cape Girardeau, Federal Office Building and U.S. Courthouse, $3,822,000

Kansas City, U.S. Courthouse, $16,000,000

St. Louis, U.S. Courthouse, $24,000,000

Nebraska:

Omaha, Federal Building and U.S. Courthouse, $9,361,940

New Jersey:

Newark, Martin Luther King, Jr. Federal Building and U.S. Courthouse, escalation, $4,293,576

New York:

Brooklyn, U.S. Courthouse, $29,400,000

Rochester, federal center, in addition to the amount previously provided for this purpose under this heading in Public Law 101-509, $5,000,000

North Carolina:

Federal Research Park, Environmental Protection Agency Facility, $8,800,000

North Dakota:

Pembina, Border Station, $96,000

Ohio:

Youngstown, Federal Building and U.S. Courthouse, site acquisition and design, $4,630,500

Oregon:

Portland, U.S. Courthouse, $96,390,000

Pennsylvania:

Scranton, Federal Building and U.S. Courthouse Annex, site acquisition and design, $12,093,000

Texas:

Laredo, Federal Building and U.S. Courthouse, $2,986,060

Vermont:

Highgate Springs, Border Station, $6,851,000

Washington:

Lynden, Federal Building, claim, $357,000

West Virginia:

Wheeling, Federal Building and U.S. Courthouse, including renovations to the existing facility, $36,000,000

Nonprospectus construction projects, $5,525,000

And the Senate agree to the same.

Amendment number 51:

That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows: *: Provided, that the $5,000,000 for nonprospectus construction projects made available in Public Law 102-393 for flexiplace work telecommuting centers, is hereby increased by $1,000,000 from the funds made available in this Act for nonprospectus construction projects, all of which shall remain available until expended, for the acquisition, lease, construction, and equipping of four flexiplace work telecommuting centers, one of which shall be in Southern Maryland, one of which shall be in northwestern Virginia, one of which shall be in Hagerstown, Maryland and one of which shall be in Fredericksburg, Virginia: Provided further*; and the Senate agree to the same.

Amendment numbered 54:

That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$523,782,000*; and the Senate agree to the same.

Amendment numbered 55:

That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows: *Energy Retrofit Projects, $7,000,000*; and the Senate agree to the same.

Amendment numbered 63:

That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows: *: Provided further, That of the funds provided in the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act for fiscal year 1994 for the modernization of the Beltsville Agricultural Research Center, the Department of Agriculture may provide up to $6,000,000 to a nonprofit entity towards the cost of construction of a facility to house microbial collections of the government under such terms as the Department determines are appropriate: Provided further, That the Department is authorized to make available sufficient space at the Beltsville Agriculture Research Center, at such terms as the Department determines are appropriate, for construction of such a facility*; and the Senate agree to the same.

Amendment numbered 64:

That the House recede from its disagreement to the amendment of the Senate numbered 64, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert: *: Provided further, That no funds shall be made available for leases, line-item construction, repairs, or alterations projects in this Act, with the exception of the Safford, Arizona and Rochester, New York projects, that are subject to section 7(a) of the Public Buildings Act of 1959 (40 U.S.C. 606(a)) prior to February 1, 1994, unless the projects are approved by the House Committee on Public Works and Transportation and the Senate Committee on Environment and Public Works: Provided further, That subject to the exceptions contained in the preceding proviso, in no case shall such funds be made available for any lease, line-item construction, or alterations project referred to in the preceding proviso if prior to February 1, 1994, the lease, line-item construction, repair, or alterations project has been disapproved by the House Committee on Public Works and Transportation and the Senate Committee on Environment and Public Works: Provided further, That the Administrator of General Services shall submit detailed information on each lease, line-item construction, repair, and alterations project in this Act that is subject to section 7(a) of the Public Buildings Act of 1959 (40 U.S.C. 606(a)) to the House Committee on Public Works and Transportation and the Senate Committee on Environment and Public Works no later than 30 days after the date of enactment of this Act*; and the Senate agree to the same.

Amendment numbered 65:

That the House recede from its disagreement to the amendment of the Senate numbered 65, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$5,251,117,306*; and the Senate agree to the same.

Amendment numbered 67:

That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *$45,675,000*; and the Senate agree to the same.

Amendment numbered 71:

That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment, as follows:

After the word "property" named in said amendment, insert: *of comparable value*; and the Senate agree to the same.

Amendment numbered 76:

That the House recede from its disagreement to the amendment of the Senate numbered 76, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$3,805,480,000*; and the Senate agree to the same.

Amendment numbered 77:

That the House recede from its disagreement to the amendment of the Senate numbered 77, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$195,482,000*; and the Senate agree to the same.

Amendment numbered 78:

That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$5,250,000*; and the Senate agree to the same.

Amendment numbered 82:

That the House recede from its disagreement to the amendment of the Senate numbered 82, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

SEC. 517A. Such sums as may be necessary for fiscal year 1994 pay raises for programs funded by this Act shall be absorbed within the levels appropriated by this Act.

SEC. 517B. (a) Any adjustment required by section 5303 of title 5, United States Code, to become effective in fiscal year 1994 in the rates of basic pay for the statutory pay systems shall not be made.

(b) For the purpose of this section, the term "statutory pay system" has the meaning given such term by section 5302(1) of title 5, United States Code.

And the Senate agree to the same.

Amendment numbered 88:

That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

SEC. 528. The Administrator of General Services shall promptly review the need of the General Services Administration for the parcel of land which it controls and which is located at 424 Trapelo Road in the City of Waltham, Massachusetts. The Administrator shall promptly determine to be excess property so much of said parcel as is no longer required for the needs of the General Services Administration. Subject to agreement between the Administrator and the Secretary of the Army concerning such portion of the excess property as may be required for the use of the Corps of Engineers, the Administrator shall transfer such portion to the Secretary of the Army without reimbursement. The property not included in such transfer shall be determined to be surplus property and shall be available only for transfer for a public purpose under section 203(k) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(k)), except that an expression of interest or an application for a public purpose use under said section other than for educational purposes may not be received after 45 days from the date the Administrator determines the property to be surplus. If no transfer under section 203(k) has been made within one year after the date of such surplus determination, the Administrator may dispose of the property in accordance with all applicable provisions of that Act.

And the Senate agree to the same.

Amendment numbered 94:

That the House recede from its disagreement to the amendment of the Senate numbered 94, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

(A) during that portion of fiscal year 1994 which precedes the start of the period described in subparagraph (B), in an amount that exceeds the rate payable for the applicable grade and step of the applicable wage schedule in accordance with section 616 of the Treasury, Postal Service, and General Government Appropriations Act, 1993, on the last day of the limitation imposed by such section 616; and

(B) during the period from the date determined under paragraph (2) until the end of fiscal year 1994, in an amount that exceeds the maximum rate allowable under subparagraph (A) by more than the amount determined under paragraph (3).

(2) The period under paragraph (1)(B) shall begin on the first day of the first applicable pay period beginning on or after the later of—

(A) the normal effective date of the applicable wage survey adjustment that is to become effective in fiscal year 1994 (determined as if this section and section 616 of the Treasury, Postal Service, and General Government Appropriations Act, 1993, were not in effect); or

(B) January 1, 1994.

(3)(A) If, during fiscal year 1994, employees under the General Schedule receive locality-based comparability payments under section 5304 of title 5, United States Code, but do not receive a pay adjustment under section 5303 of such title, the applicable amount under this paragraph shall be equal to one-fifth of the difference between the maximum amount allowable under paragraph (1)(A) and the amount that would be payable under subchapter IV of chapter 53 of such title (taking into account the applicable wage survey adjustment referred to in paragraph (2)(A)) were this section and section 616 of the Treasury, Postal Service, and General Government Appropriations Act, 1993, not in effect.

(B) If, during fiscal year 1994, employees under the General Schedule receive a pay adjustment under section 5303 of title 5, United States Code, and locality-based comparability payments under section 5304 of such title, the applicable amount under this paragraph shall be equal to—

(i) the amount determined under subparagraph (A); and

(ii) the amount resulting from an increase of 2.2 percent.

(C) The applicable amount under this paragraph shall be zero if neither subparagraph (A) nor subparagraph (B) applies.

(4) The Office of Personnel Management shall discuss with and consider the views of the Federal Prevailing Rate Advisory Committee in carrying out the Office's responsibilities with respect to this paragraph; and the Senate agree to the same.

Amendment numbered 97:

That the House recede from its disagreement to the amendment of the Senate numbered 97, and agree to the same with an amendment, as follows:

In lieu of the first section number named in said amendment insert: *620A*; and the Senate agree to the same.

Amendment numbered 101:

That the House recede from its disagreement to the amendment of the Senate numbered 101, and agree to the same with an amendment, as follows:

In lieu of the section number named in said amendment insert: *629*; and the Senate agree to the same.

Amendment numbered 102:

That the House recede from its disagreement to the amendment of the Senate numbered 102, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment insert:

TITLE VII—REVENUE FORGONE REFORM

SHORT TITLE; TABLE OF CONTENTS

SEC. 701. (a) SHORT TITLE.—This title may be cited as the "Revenue Forgone Reform Act".

(b) TABLE OF CONTENTS.—The table of contents for this title is as follows:

Sec. 701. Short title; table of contents.
Sec. 702. References.
Sec. 703. Repeal of authorization of appropriations for mail sent at reduced rates of postage.
Sec. 704. Establishing reduced rates of postage.
Sec. 705. Eligibility of certain mailings for reduced rates of postage.
Sec. 706. Provisions relating to rates for books and certain other materials.
Sec. 707. Sense of Congress.
Sec. 708. Technical corrections.

REFERENCES

SEC. 702. Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 39, United States Code.

REPEAL OF AUTHORIZATION OF APPROPRIATIONS FOR MAIL SENT AT REDUCED RATES OF POSTAGE

SEC. 703. (a) IN GENERAL.—Section 2401(c) is amended—

(1) in the first sentence—

(A) by striking "if sections" through "had not been enacted" and inserting "if sections 3217 and 3403 through 3406 had not been enacted"; and

(B) by striking "such sections and Acts." and inserting "such sections."; and

(2) in the second sentence—

(A) by striking "(i)"; and

(B) by striking "volume;" through "schedules." and inserting "volume.".

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply with respect to appropriations for fiscal years beginning after September 30, 1993.

ESTABLISHING REDUCED RATES OF POSTAGE

SEC. 704. (a) RATES.—

(1) IN GENERAL.—Section 3626(a) is amended to read as follows:

"(a)(1) Except as otherwise provided in this section, rates of postage for a class of mail or kind of mailer under former section 4358, 4452(b), 4452(c), 4454(b), or 4454(c) of this title shall be established in accordance with the applicable provisions of this chapter.

"(2) For the purpose of this subsection—

"(A) the term 'costs attributable', as used with respect to a class of mail or kind of mailer, means the direct and indirect postal costs attributable to such class of mail or kind of mailer (excluding any other costs of the Postal Service);

"(B) the term 'regular-rate category' means any class of mail or kind of mailer, other than a class or kind referred to in paragraph (3)(A) or section 2401(c); and

"(C) the term 'institutional-costs contribution', as used with respect to a class of mail or kind of mailer, means that portion of the estimated revenues to the Postal Service from such class of mail or kind of mailer which remains after subtracting an amount equal to the estimated costs attributable to such class of mail or kind of mailer.

"(3)(A) Except as provided in paragraph (4) or (5), rates of postage for a class of mail or kind of mailer under former section 4358, 4452(b), 4452(c), 4554(b), or 4554(c) of this title shall be established in a manner such that the estimated revenues to be received by the Postal Service from such class of mail or kind of mailer shall be equal to the sum of—

"(i) the estimated costs attributable to such class of mail or kind of mailer; and

"(ii) the product derived by multiplying the estimated costs referred to in clause (i) by the applicable percentage under subparagraph (B).

"(B) The applicable percentage for any class of class of mail or kind of mailer referred to in subparagraph (A) shall be the product derived by multiplying—

"(i) the percentage which, for the most closely corresponding regular-rate category, the institutional-costs contribution for such category represents relative to the estimated costs attributable to such category of mail, times

"(ii)(I) one-twelfth, for fiscal year 1994;

"(II) one-sixth, for fiscal year 1995;

"(III) one-fourth, for fiscal year 1996;

"(IV) one-third, for fiscal year 1997;

"(V) five-twelfths, for fiscal year 1998; and

"(VI) one-half, for any fiscal year after fiscal year 1998.

"(C) Temporary special authority to permit the timely implementation of the preceding provisions of this paragraph is provided under section 3642.

"(D) For purposes of establishing rates of postage under this subchapter for any of the classes of mail or kinds of mailers referred to in subparagraph (A), subclauses (I) through (V) of subparagraph (B)(ii) shall be deemed amended by striking the fraction specified in each such subclause and inserting 'one-half'.

"(4) The rates for the advertising portion of any mail matter under former section 4358(d) or 4358(e) of this title shall be equal to the rates for the advertising portion of the most closely corresponding regular-rate category of mail, except that if the advertising portion does not exceed 10 percent of the issue of the publication involved, the advertising portion shall be subject to the same rates as apply to the nonadvertising portion.

"(5) The rates for any advertising under former section 4358(f) of this title shall be equal to 75 percent of the rates for advertising contained in the most closely corresponding regular-rate category of mail.".

(2) SPECIAL AUTHORITY.—Subchapter II of chapter 36 is amended by adding at the end the following:

"§3642. Special authority relating to reduced-rate categories of mail

"(a) In order to permit the timely implementation of section 3626(a)(3), the Postal Service may establish temporary rates of postage for any class of mail or kind of mailer referred to in section 3626(a)(3)(A).

"(b) Any exercise of authority under this section shall be in conformance with the requirements of section 3626(a), subject to the following:

"(1) All attributable costs and institutional-costs contributions assumed shall be the same as those which were assumed for purposes of the then most recent proceedings under subchapter II pursuant to which rates of postage for the class of mail or kind of mailer involved were last adjusted.

"(2) Any temporary rate established under this section shall take effect upon such date as the Postal Service may determine, except that—

"(A) such a rate may take effect only after 10 days' notice in the Federal Register; and

"(B) no such rate may take effect after September 30, 1998.

"(3) A temporary rate under this section may remain in effect no longer than the last day of the fiscal year in which it first takes effect.

"(4) Authority under this section may not be exercised in a manner that would result in more than 1 change taking effect under this section, during the same fiscal year, in the rates of postage for a particular class of mail or kind of mailer, except as provided in paragraph (5).

"(5) Nothing in paragraph (4) shall prevent an adjustment under this section in rates for a class of mail or kind of mailer with respect to which any rates took effect under this section earlier in the same fiscal year if—

"(A) the rates established for such class of mail or kind of mailer by the earlier adjustment are superseded by new rates established under subchapter II; and

"(B) authority under this paragraph has not previously been exercised with respect to such class of mail or kind of mailer based on the new rates referred to in subparagraph (A).

"(c) The Postal Service may prescribe any regulations which may be necessary to carry out this section, including provisions governing the coordination of adjustments under this section with any other adjustments under this title.

"(d) Notwithstanding any provision of section 3626(a)(3)(B) or subsection (a) of this section, any temporary rates established under this section for non-letter-shaped mail under former section 4452(b) or 4452(c) of this title shall not be lower than the rates in effect for such mail on September 30, 1993.".

(3) TECHNICAL AND CONFORMING AMENDMENTS.—

(A) SECTION 3626.—Section 3626(i) is repealed.

(B) SECTION 3627.—

(i) IN GENERAL.—Section 3627 is amended—

(I) by striking "sent at a free or reduced rate under section 3217, 3403–3406, 3626, or 3629 of this title," and inserting "sent free of postage under section 3217 or 3403–3406"; and

(II) in the section heading by striking ***"and reduced".***

(ii) TABLE OF CONTENTS.—The table of contents for chapter 36 is amended—

(I) by striking the item relating to section 3627 and inserting the following:

"3627. Adjusting free rates.";

and

(II) by inserting after the item relating to section 3641 the following:

"3642. Special authority relating to reduced-rate categories of mail.".

(b) AUTHORIZATION.—

(1) IN GENERAL.—Section 2401 is amended—

(A) by striking subsections (d) through (f);

(B) by redesignating subsections (g) through (i) as subsections (e) through (g), respectively;

(C) in subsection (f) (as so redesignated by subparagraph (B)) by striking the second sentence;

(D) in subsection (g) (as so redesignated by subparagraph (B)) by striking "subsections (b) and (d) of this section" and inserting "subsection (b)"; and

(E) by inserting after subsection (c) the following:

"(d) As reimbursement to the Postal Service for losses which it incurred as a result of insufficient amounts appropriated under section 2401(c) for fiscal years 1991 through 1993, and to compensate for the additional revenues it is estimated the Postal Service would have received under the provisions of section 3626(a), for the period beginning on October 1, 1993, and ending on September 30, 1998, if the fraction specified in subclause (VI) of section 3626(a)(3)(B)(ii) were

applied with respect to such period (instead of the respective fractions specified in subclauses(I) through (V) thereof), there are authorized to be appropriated to the Postal Service $29,000,000 for each of fiscal years 1994 through 2035.".

(2) RATEMAKING LIMITATIONS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), rates of postage may not be established, under subchapter II of chapter 36 of title 39, United States Code, in a manner designed to allow the United States Postal Service to receive through revenues any portion of the additional revenues (referred to in section 2401(d) of such title, as amended by paragraph (1)(E)) for which amounts are authorized to be appropriated under such section 2401(d).

(B) EXCEPTION.—If Congress fails to appropriate an amount authorized under section 2401(d) of title 39, United States Code (as amended by Paragraph (1)(E)), rates for the various classes of mail may be adjusted in accordance with the provisions of subchapter II of chapter 36 of such title (excluding section 3627 thereof) such that the resulting increase in revenues will equal the amount that Congress so failed to appropriate.

(c) APPLICABILITY.—

(1) RATES.—The amendments made by subsection (a) shall apply with respect to rates for mail sent after September 30, 1993.

(2) AUTHORIZATION.—The amendments made by subsection (b) shall apply with respect to appropriations for fiscal years beginning after September 30, 1993.

ELIGIBLITY OF CERTAIN MAILINGS FOR REDUCED RATES OF POSTAGE

SEC. 705. (a) ADVERTISING.—Section 3626(j)(1) is amended—

(1) in subparagraph (B) by striking "or" after the semicolon;

(2) in subparagraph (C) by striking the period and inserting "; or"; and

(3) by adding at the end the following:

"(D) any product or service (other than any to which subparagraph (A), (B), or (C) relates), if—

"(i) the sale of such product or the providing of such service is not substantially related (aside from the need, on the part of the organization promoting such product or service, for income or funds or the use it makes of the profits derived) to the exercise or performance by the organization of one or more of the purposes constituting the basis for the organization's authorization to mail at such rates; or

"(ii) the mail matter involved is part of a cooperative mailing (as defined under regulations of the Postal Service) with any person or organization not authorized to mail at the rates for mail under former section 4452(b) or 4452(c) of this title;

except that—

(I) any determination under clause (i) that a product or service is not substantially related to a particular purpose shall be made under regulations which shall be prescribed by the Postal service and which shall be consistent with standards established by the Internal Revenue service and the courts with respect to subsections (a) and (c) of section 513 of the Internal Revenue Code of 1986; and

(II) clause (i) shall not apply if the product involved is a periodical publication described in subsection (m)(2) (including a subscription to receive any such publication.".

(b) PRODUCTS.—Section 3626 is amended by adding at the end the following:

(m)(1) In the administration of this section, the rates for mail under former section 4452(b) or 4452(c) of this title shall not apply to mail consisting of products, unless such products—

"(A) were received by the organization as gifts or contributions; or

(B) are low cost articles (as defined by section 513(h)(2) of the Internal Revenue Code of 1986).

(2) Paragraph (1) shall not apply with respect to a periodical publication of a qualified nonprofit organization.".

(c) CERTIFICATION; VERIFICATION.—Section 3626(j)(3) is amended—

(1) by striking "(3)" and inserting "(3)(A)"; and

(2) by adding at the end the following:

(B) The Postal Service shall establish procedures to carry out this paragraph, including procedures for mailer certification of compliance with the conditions specified in paragraph (1)(D) or subsection (m), as applicable, and verification of such compliance.".

(d) APPLICABILITY.—The amendments made by this section shall apply with respect to mail sent, and the rates for mail sent, after December 31, 1993.

PROVISIONS RELATING TO RATES FOR BOOKS AND CERTAIN OTHER MATERIALS

SEC. 706. (1) IN GENERAL.—Section 3683(b) is amended to read as follows:

"(b) The rates of postage under former section 4554(b)(1) of this title shall not be effective except with respect to mailings which—

"(1) constitute materials specified in former section 4554(b)(2) of this title; and

"(2) are sent between—

"(A) an institution, organization, or association listed in subparagraph (A) or (B) of such former section 4554(b)(1) and any other such institution, organization, or association;

"(B) an institution, organization, or association referred to in subparagraph (A) and any individual (other than an individual having a financial interest in the sale, promotion, or distribution of the materials involved);

"(C) an institution, organization, or association referred to in subparagraph (A) and a qualified nonprofit organization (as defined in former section 4452(d) of this title) that is not such an institution, organization, or association; or

"(D) an institution, organization, or association referred to in subparagraph (A) and a publisher, if such institution, organization, or association has placed an order to purchase such materials for delivery to such institution, organization, or association.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply with respect to mail sent after September 30, 1993.

SENSE OF CONGRESS

SEC. 707. It is the sense of the Congress that any legislation, enacted after September 30, 1994, which would have the effect of expanding the classes of mail or kinds of mailers eligible for reduced rates of postage should provide for sufficient funding to ensure that neither any losses to the United States Postal Service nor any increase in the rates of postage for any of the other classes of mail or kinds of mailers will result.

TECHNICAL CORRECTIONS

SEC. 708. (a) SECTION 410.—Section 410(b) is amended—

(1) in paragraph (8) by striking "and" after the semicolon;

(2) in the first paragraph (9) by striking "Chapter" and inserting "chapter", and by striking the period and inserting "; and"; and

(3) by designating the second paragraph (9) as paragraph (10).

(b) SECTION 3202.—Section 3202(a) is amended—

(1) in paragraph (3) by adding "and" after the semicolon; and

(2) in paragraph (4) by striking "; and" and inserting a period.

(c) SECTION 3601.—Section 3601(a) is amended by striking "consent" and inserting "consent".

(d) SECTION 3625.—Section 3625(d) is amended by striking "section 3268" and inserting "section 3628".

(e) SECTION 3626.—Section 3626 is amended by redesignating the second subsection (k) as subsection (l).

And the Senate agree to the same.

Amendment numbered 103:

That the House recede from its disagreement to the amendment of the Senate numbered 103, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

TITLE VIII—GENERAL PROVISIONS

SEC. 801. Notwithstanding the provisions of this or any other Act, the Administration may establish the National Partnership Council with interagency assistance from the Office of Personnel Management, the Office of Management and Budget, and the Federal Labor Relations Authority, subject to authorization.

SEC. 802. Not to exceed fifty percentum of unobligated balances remaining available at the end of fiscal year 1994 from appropriations made available for salaries and expenses made for one fiscal year in this Act, shall remain available through September 30, 1995 for each such account for such purposes and in such amounts as approved in advance by the House and Senate Committees on Appropriations: Provided, That not to exceed two percentum of the funds so carried over may be used to pay cash awards to employees, as authorized by law, and not to exceed three percentum of the funds may be used for employee training programs.

SEC. 803. Notwithstanding any other provision of law, the Centers for Disease Control (CDC) laboratory project authorized by Public Law 100-202, may be sited on the "new" campus in the Atlanta, Georgia area authorized by Public Law 102-393.

SEC. 804. Part of the site to be utilized for the new U.S. Courthouse in Montgomery, Alabama, is owned and occupied by Troy State University which is under a consent decree with the Department of Justice that severely limits its geographic location. Therefore, notwithstanding any other provision of law, the Administrator of General Services is authorized to pay replacement costs for the site and improvements to be acquired.

And on page 67 of the House enrolled bill, H.R. 2403, after the words "South Vietnam," on line 7, insert "the countries of the former Soviet Union," and on page 67, line 11, of the House enrolled bill, H.R. 2403, strike all beginning with "(6)" down through and including "1990" on line 13, and insert in lieu thereof, "(6) nationals of the People's Republic of China that qualify for adjustment of status pursuant to the Chinese Student Protection Act of 1992"

And the Senate agree to the same.

STENY H. HOYER,
PETER J. VISCLOSKY,
GEORGE (BUDDY) DARDEN,
JOHN W. OLVER,
TOM BEVILL,
MARTIN O. SABO,
WILLIAM H. NATCHER,
JIM LIGHTFOOT (except amendment 36),
FRANK R. WOLF (except amendment 36),
JOSEPH M. MCDADE (except amendment 36),

Managers on the Part of the House.

DENNIS DECONCINI,
BARBARA A. MIKULSKI,
J. ROBERT KERREY,
ROBERT C. BYRD,
CHRISTOPHER S. BOND,

AL D'AMATO,
MARK O. HATFIELD,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2403) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President and funds appropriated to the President, and certain independent agencies for the fiscal year ending September 30, 1994, and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE I—DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

Amendment No. 1: Makes available not less than $6,352,000 for enforcement activities instead of $6,902,000 as proposed by the Senate and deletes other language proposed by the Senate. It also makes available until expended, $1,500,000 for systems modernization.

The conferees have provided an increase of $553,000 and 6 FTEs for the Office of Enforcement activities in fiscal year 1994 to be allocated by the Assistant Secretary for Enforcement. The $6,352,000 provided will support an FTE level of 84 for this Office in fiscal year 1994.

PRESIDENT'S WORKFORCE REDUCTIONS

The President has committed to reducing the federal workforce by 252,000 full time employee equivalents (FTE) over the next five years. In general, the conferees support the President's effort in this regard and have made every effort to remove FTE floors which have appeared in the bill in the past. This is done in the spirit of providing the President and agency managers with maximum flexibility in the management of the federal workforce.

In lieu of bill language, the managers have included statements citing funding to support FTE levels for various agencies. The conferees note that these levels are not statutorily binding and that these levels are not intended to act as either FTE floors or ceilings but merely to explain what FTE levels could be achieved through the funding levels provided. The conferees further note, however, that the reductions mandated through the Presidential Executive Orders should not adversely affect law enforcement functions of the agencies funded in this Act.

Amendment No. 2: Appropriates $105,150,000 for salaries and expenses instead of $104,597,000 as proposed by the House and $105,700,000 as proposed by the Senate.

The conferees have provided total funding of $105,150,000 for Departmental Office for fiscal year 1994. Of this amount, an increase of $553,000 has been provided to support enhanced Office of Enforcement activities.

ALASKA NATIVE CORPORATIONS

Last year Section 7617 of the Conference Report to H.R. 11 contained a procedural provision granting Alaska Native Corporations standing to contest deficiencies in so-called net operating loss transactions (NOL) expressly permitted by law. This provision protected the rights of all of the parties—the Alaska Native Corporations, the corporations which purchased the NOL, and the government. For reasons unrelated to the merits of the standing provision, H.R. 11 was vetoed by the President on November 5, 1992. Currently, Alaska Native Corporations are in, or are moving to, the final Internal Revenue Service administrative stage—the so-called appeals process. The conferees urge that after all administrative appeals are exhausted, the Secretary refrain from issuing a deficiency notice based on a net operating loss transaction to a taxpayer other than an Alaska Native Corporation, until Congress has had the opportunity to again consider the standing provision. However, the conferees do not intend that the Secretary delay the issuance of a deficiency notice where the taxpayer declines to execute an appropriate waiver of the statute of limitations.

RESTRUCTURING OF IRS AND CUSTOMS SERVICES

The ongoing service centers and district offices studies may well have an impact on personnel levels at both local and national levels of the Internal Revenue Service (IRS). The conferees therefore direct the Commissioner of IRS to incorporate a master plan for personnel actions and human resource planning into any recommendation approved by the Secretary of the Treasury for the restructuring of IRS operations.

The conferees are aware that Tax Systems Modernization will alter existing allocations of human resources and will require significant planning for training and retraining so that displacements of existing employees can be kept to an absolute minimum. The conferees believe that if properly managed, attrition and training can prepare people whose jobs may be eliminated for compliance, enforcement, and service positions that become available. In addition, the Department should work with the Internal Revenue Service and employee organizations to develop priority hiring plans within IRS to protect existing employees.

The conferees are also concerned about the current regional and district structure of the Customs Service. Significant savings in both financial and human resources may be available.

The conferees direct the IRS and the Customs Service to submit a plan for restructuring the IRS and Customs Service including priority placement and retraining details, and submit this plan no later than March 1, 1994 to the Committees on Appropriations.

JAPANESE FINANCIAL MARKETS STUDY

The Secretary of the Department of the Treasury shall conduct, and report to Congress no later than one year following the date of enactment of this Act, a study of the structures, operations, practices and regulations of Japan's financial markets and their implications for the U.S. economy. In conducting this study, the Secretary shall consider with regard to Japan the structures, operations, practices, trends and regulations of Japan's securities markets, the Japanese banking system and the Japanese real estate markets, the Japanese banking system and the Japanese real estate market, and corporate governance in Japan, stable and cross shareholding, the adequacy of disclosure requirements, and the adequacy of legal relief available to foreign investors in Japan. With regard to economic effects on the United States, the Secretary shall consider the volume and nature of the United States investments in Japan, the role of Japanese finance internationally and in the United States, and the impact of Japanese finance upon the United States macroeconomic policies.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

Amendment No. 3: Restores language proposed by the house and stricken by the Senate making available $300,000 until expended for the Inspector General Auditor Training Institute.

MANAGEMENT CONTROL SYSTEMS

The conferees encourage all Inspectors General to promote the efficiency and integrity of government programs they oversee, with the goal of making programs work better. The "Inspectors General Auditor Training Institute" which operates under the Inspector General's office in the Department of Treasury, offers Inspectors General an opportunity to enhance their skills and broaden their focus. In addition to making certain that agencies are in compliance with Federal rules and regulations, the Inspectors General can help improve management by stressing the importance of efficient operations and in assisting in the evaluation of management systems. The conferees believe the Inspectors General should always be exploring ways to enhance their role in the evaluation of Federal agencies.

TREASURY FORFEITURE FUND

Amendment No. 4: Appropriates $32,500,000 for salaries and expenses instead of $14,770,000 as proposed by the House and $50,000,000 as proposed by the Senate.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

Amendment No. 5: Inserts language proposed by the Senate regarding reimbursement of funds from agencies receiving training at the Federal Law Enforcement Training Center.

Amendment No. 6: Appropriates $47,445,000 for salaries and expenses instead of $47,195,000 as proposed by the House and $47,695,000 as proposed by the Senate.

GANG RESISTANCE EDUCATION AND TRAINING PROGRAM

The conferees have provided an increase of $250,000 to support enhanced training activities for the Gang Resistance Education and Training (GREAT) program.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

Amendment No. 7: Appropriates $12,712,000 for acquisition, construction, improvements, and related expenses as proposed by the Senate instead of $7,712,000 as proposed by the House.

DAVIS-MONTHAN AIR FORCE BASE

The conferees have provided an increase of $7,712,000 for new construction activities at the Davis-Monthan Air Force Base Training facility in fiscal year 1994. The funds provided shall support the following projects:

Nine classrooms	$1,475,000
Administrative support	950,000
Driving ranges	465,000
Support facility	825,000
Student support facilities	1,025,000
Burn building	1,000,000

CONSTRUCTION OF BURN BUILDING

The conferees have included $1,000,000 for the construction of a building at the Federal Law Enforcement Training Center (FLETC) to be used to train personnel in arson investigation techniques. FLETC has been directed to submit its design plans and estimated cost data by February 1, 1994. The conferees agree that the training to be provided is for Federal, State and local, and private security officials engaged in the investigation and detection of arson.

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

Amendment No. 8: Makes available $11,539,000 until expended for systems modernization initiatives as proposed by the Senate instead of $9,748,000 as proposed by the House.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

Amendment No. 9: Appropriates $366,446,000 for salaries and expenses instead of $364,245,000 as proposed by the House and $368,046,000 as proposed by the Senate and inserts language proposed by the Senate which authorizes the use of $100,000 for hosting certain conferences.

The conferees have provided an increase of $1,900,000 and 30 FTEs for the Bureau of Alcohol, Tobacco and Firearms in fiscal year 1994. These increased funds shall be used to restore 30 law enforcement positions proposed for reduction and $300,000 for the Phoenix Police Department to support national expansion of the GREAT program.

Amendment No. 10: Deletes a provision proposed by the House and stricken by the Senate which provided that $5,000,000 be retained and used for the purpose of off-setting costs of the Bureau's Compliance Alcohol Program.

Amendment No. 11: Inserts a provision proposed by the Senate which provides that the Bureau of Alcohol, Tobacco and Firearms may investigate and act upon applications filed by corporations (but not for individuals) for relief from Federal firearms disabilities.

Amendment No. 12: Deletes language proposed by the Senate which would have mandated a minimum level of positions.

The conferees have provided $366,446,000 for ATF to support an FTE level of 4,231, of which 1,410 FTEs shall support the Armed Career Criminal Apprehension Program.

Amendment No. 13: Modifies a provision proposed by the Senate prohibiting the use of funds to implement any reorganization of the ATF or transfer of the Bureau's functions, missions, or activities to other Agencies or Departments.

U.S. CUSTOMS SERVICE

SALARIES AND EXPENSES

Amendment No. 14: Appropriates $1,350,668,000 for salaries and expenses instead of $1,311,819,000 as proposed by the House and $1,363,668,000 as proposed by the Senate.

The conferees have provided an increase of $38,849,000 for the U.S. Customs Service in fiscal year 1994. Of this amount, $31,801,000 is provided to restore the 642 FTEs proposed for reduction in fiscal year 1994, $5,048,000 to restore the excess cut in administrative activities, and $2,000,000 for enhanced commercial operations activities.

SAN LUIS COMMERCIAL BORDER CROSSING

The conferees are concerned about the dangerous traffic situation which has developed in San Luis, Arizona. The current configuration in San Luis, Rio Colorado, and San Luis, Arizona requires commercial traffic to cross through non-commercial vehicular traffic to enter the U.S. Customs inspection area. In an attempt to resolve this problem the local community and the government of Mexico have agreed upon a site approximately 7 kilometers to the east of San Luis for a new commercial crossing to be constructed on both sides of the border. The conferees direct GSA to take a serious look at constructing a commercial port on the U.S. side to make the San Luis port more efficient and reduce traffic in this increasingly congested area. More importantly commercial traffic would have a more direct and less time-consuming route to Interstates 8 and 10 by utilizing Highway 2 which is adjacent to the proposed commercial crossing. The conferees expect GSA to report back on the feasibility of this project by no later than February 15, 1994.

WORLD CUP USA 1994

In view of the estimated 1.5 million international visitors expected for the games, the conferees direct the Customs Service to designate as soon as possible a U.S. Customs officer, expert in customs arrival and clearance processes, to work with the government relations staff of the organizing committee at its Washington, D.C. metropolitan offices to assist in coordination and expedition of customs issues at the nine venues.

COMMISSIONER OF CUSTOMS

The conferees are aware that a problem has emerged as part of the implementation of P.L. 101-207 (92 Statute 1154). The purpose of P.L. 101-207 was to designate the Commissioner of Customs as a position requiring Senate confirmation. This legislation has inadvertently resulted in the present Commissioner receiving a salary less than that of his predecessors who were simply appointed by the Secretary of the Treasury and were not confirmed by the Senate. This inadvertence has led to an unintended pay disparity between the Commissioner and other similar Senate confirmed positions. The Commissioner of Customs is delegated with some of the most broad ranging duties and responsibilities given to any public servant by both the President and the United States Congress. Therefore, it is the intent of the conferees that the appropriate actions be taken to restore the salary of the Commissioner of Customs to its correct level, to that of his predecessors. This Conference Report contains the necessary technical correction in Title 5, United States Code in amendment numbered 35

Amendment No. 15: Inserts language proposed by the Senate which makes available until expended $4,000,000 for research.

Amendment No. 16: Deletes language proposed by the Senate which mandates minimum levels for positions.

The conferees have provided a funding level of $1,350,668,000 for salaries and expenses in fiscal year 1994. This amount will support an FTE level of 17,841, of which 960 FTEs shall be available to support the Customs Air Interdiction Program.

OPERATION AND MAINTENANCE, AIR AND MARINE INTERDICTION PROGRAMS

Amendment No. 17: Inserts language proposed by the Senate which authorizes the use of Air and Marine Interdiction funds for drug "demand reduction" programs.

Amendment No. 18: Appropriates $47,863,000 for operation and maintenance, air and marine interdiction programs as proposed by the Senate instead of $46,063,000 as proposed by the House.

RADAR COVERAGE

The conferees are concerned that gaps known to exist in radar coverage on the southern border of the United States impact the effectiveness of drug interdiction efforts. Because of this concern, the conferees direct that a plan be prepared and reported to the Committees on Appropriations of the House and Senate identifying approaches to fill these gaps utilizing existing technology and available ground-based radars that have been demonstrated in actual southwestern border tests and offer lowest-cost operations through unmanned operation.

OPERATIONS AND MAINTENANCE, CUSTOMS P-3 DRUG INTERDICTION PROGRAM

Amendment No. 19: Deletes language proposed by the House and stricken by the Senate which limited the P-3 aircraft to "defense related" drug interdiction purposes.

CUSTOMS FACILITIES, CONSTRUCTION, IMPROVEMENTS AND RELATED EXPENSES

Amendment No. 20: Modifies language proposed by the Senate which provides funds to the highest priority Customs air facility requirements.

The conferees have provided $5,000,000 to support high priority Customs air interdiction facility construction requirements in fiscal year 1994.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

Amendment No. 21: Appropriates $187,209,000 for administering the public debt as proposed by the Senate instead of $189,209,000 as proposed by the House.

INTERNAL REVENUE SERVICE

ADMINISTRATION AND MANAGEMENT

Amendment No. 22: Deletes language proposed by the House and stricken by the Senate which made available $500,000 for research.

PROCESSING TAX RETURNS AND ASSISTANCE

Amendment No. 23: Deletes language proposed by the House and stricken by the Senate which makes available $1,000,000 for research.

TAX LAW ENFORCEMENT

Amendment No. 24: Modifies a provision proposed by the Senate and appropriates $4,007,962,000 for tax law enforcement instead of $4,043,281,000 as proposed by the Senate. It also makes available until expended $1,000,000 for research and mandates that not less than $350,000,000 be available for tax fraud investigations.

INFORMATION SYSTEMS

Amendment No. 25: Appropriates $1,471,448,000 for information systems instead of $1,402,629,000 as proposed by the House and $1,487,722,000 as proposed by the Senate.

Amendment No. 26: Restores language proposed by the House and stricken by the Senate which mandates that the IRS report to the Committees on Appropriations on the implementation of Tax Systems Modernization prior to obligating funds.

U.S. SECRET SERVICE

SALARIES AND EXPENSES

Amendment No. 27: Appropriates $461,931,000 for salaries and expenses as proposed by the Senate instead of $457,360,000 as proposed by the House.

The conferees have provided an increase of $4,571,000 for the Secret Service in fiscal year 1004. These additional funds are provided to restore 69 FTEs proposed for reduction in fiscal year 1994.

WORLD CUP USA 1994

The conferees direct the Service to prepare plans and allocate resources as necessary to provide for the security needs of the various foreign heads of State and officials participating in the activities associated with the World Cup.

GENERAL PROVISION—DEPARTMENT OF THE TREASURY

Amendment No. 28: Restores a provision proposed by the House and stricken by the Senate mandating that the IRS identify efficiency savings and nonrecur the amount of the savings from the IRS budget base.

Amendment No. 29: Modifies a provision proposed by the Senate regarding transfers of end-of-year unobligated balances in the Treasury Forfeiture Fund for Federal law enforcement activities.

Amendment No. 30: Deletes a provision proposed by the House and stricken by the Senate.

The conferees understand that the Bureau of Engraving and Printing will will maintain and utilize the currency production capacity of its Washington, D.C. facility at a level which at a minimum equals its current 5 day, 3 shift per day output of approximately 5.2 billion notes. The Federal Reserve System requirements exceed that level by an amount which will enable the Bureau to also maintain and utilize an operating expansion and emergency back-up capacity at its Fort Worth, Texas facility. If production requirements fall below that level the Bureau may, upon advance notice to the House and Senate Appropriations Committees, reallocate production between the two facilities in a way which best utilizes the capacity of each and preserves the employment security of the Bureau workforce.

Amendment No. 31: Deletes a provision proposed by the House and stricken by the Senate.

If necessary to retain employees with specialized skills who are serving on temporary appointments, the Bureau of Engraving and Printing may extend such appointments on an annual basis beyond four years.

Amendment No. 32: Deletes a provision proposed by the House and stricken by the Senate.

In the event of staffing reductions due to a reduction in work requirements, the area of consideration for any reduction-in-force to be effected shall include the Washington, D.C. facility and the Ft. Worth, Texas facility. Lists of competing employees at each facility shall be combined together, and bumping, retreat and reassignment rights of employees at the same competitive level shall be governed by this combined list. In order to insure uniformity in administration, the Bureau shall adopt this policy by a formal issuance. This policy shall prevail with regard to all represented bargaining units unless one or more unions specifically and in writing agree to another policy or arrangement on behalf of the employees that any such organizations(s) represents.

Amendment No. 33: Inserts and changes the section number of a provision proposed by the Senate mandating that the Secretary of Treasury establish an Office of Undersecretary for Enforcement.

Amendment No. 34: Modifies a provision proposed by the Senate regarding the exemption of law enforcement positions from Executive Order 12839.

Amendment No. 35: Modifies a provision proposed by the Senate mandating the IRS institute policies and procedures which safeguard the confidentiality of taxpayer information.

It also inserts a provision which modifies Title 5 regarding the Commissioner of Customs.

It also inserts a provision providing for the transfer of Customs aircraft and establishes funding levels for enforcement of the Federal Alcohol Administration Act.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT

NATIONAL PERFORMANCE REVIEW

The conferees believe the Vice President's report of the National Performance Review is a significant and important document and strongly share the goal of "creating a government that works better and costs less."

The conferees expect Departments and Agencies within this bill to review the recommendations of this report and take immediate steps to achieve a government that works better and costs less and be prepared to work with the House and Senate Committees on Appropriations during next year's hearings on efforts to accomplish this goal.

THE WHITE HOUSE OFFICE

SALARIES AND EXPENSES

Amendment No. 36: Appropriates $38,754,000 for salaries and expenses as proposed by the Senate instead of $38,914,000 as proposed by the House.

NATIONAL SECURITY COUNCIL

SALARIES AND EXPENSES

Amendment No. 37: Appropriates $6,648,000 for salaries and expenses as proposed by the House instead of $8,209,000 as proposed by the Senate

INFORMATION SECURITY OVERSIGHT OFFICE

The conferees have not transferred funds from the General Services Administration (GSA) to the National Security Council (NSC) for the Information Security Oversight Office (ISOO) in fiscal year 1994 as recommended by the Senate. ISOO is funded in GSA. The conferees remain concerned, however, that GSA is not the proper agency under which to carry out the responsibilities of this Office since ISOO takes its direction and guidance from the NSC, not GSA. The conferees understand that the NSC is currently reviewing the proper placement of ISOO and should be releasing the results of this evaluation late this year. The conferees direct NSC to provide the results of that review to the appropriate committees of Congress. The conferees further direct NSC to request funding and the required positions to support ISOO's mission in the appropriate agency account as reflected in the review in the fiscal year 1995 budget submission.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

Amendment No. 38: Appropriates $56,539,000 for salaries and expenses as proposed by the House instead of $53,481,000 as proposed by the Senate.

PAPERWORK REDUCTION GOAL FOR FEDERAL AGENCIES

The conferees commend the Administration for its goal of reducing the internal federal regulatory burden by 50 percent. In addition to the stated goals of the Vice President's National Performance Review, the conferees urge agencies within the scope of this Act to adopt a goal of reducing the federal paperwork burden by 50 percent, where possible, both for internal agency paperwork and for paperwork required to businesses or individuals who conduct business with the federal government. Agencies may determine how best to meet that goal.

OFFICE OF FEDERAL PROCUREMENT POLICY

SALARIES AND EXPENSES

Amendment No. 39: Deletes language proposed by the Senate which provided funding for the Office of Federal Procurement Policy as a separate account. The funding for this Office is provided in the appropriation to the Office of Management and Budget.

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

Amendment No. 40: Appropriates $11,687,000 for salaries and expenses as proposed by the Senate instead of $5,800,000 as proposed by the House and sets, at 40, the level of positions for ONDCP.

The conferees have provided an increase of $5,887,000 for the Office of National Drug Control Policy in fiscal year 1994. These additional funds are provided to support 40 positions in fiscal year 1994, an increase of 15 above the amount requested.

The conferees are agreed, however, that total employment in the Executive Office of the President shall not exceed the 1,044 total positions requested by the President. The conferees expect the President to make reductions in other Executive Office of the President agencies to support the 15 FTE increase for ONDCP as provided for in the amendment. The conferees agree that this total level of 1,044 positions will fluctuate throughout the year as the President manages day-to-day operations at the White House.

FEDERAL DRUG CONTROL PROGRAMS

HIGH-INTENSITY DRUG TRAFFICKING AREAS PROGRAMS

Amendment No. 41: Inserts a provision proposed by the Senate which provides $43,000,000 for State and local entities and $43,000,000 for Federal agencies. Deletes a provision proposed by the House which provides for different allocation of funding.

SPECIAL FORFEITURE FUND

(INCLUDING TRANSFER OF FUNDS)

Amendment No. 42: Modifies a provision proposed by the House and Senate regarding the allocation of funds from the Special Forfeiture Fund.

TITLE IV—INDEPENDENT AGENCIES

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

SALARIES AND EXPENSES

Amendment No. 43: Appropriates $1,800,000 for salaries and expenses as proposed by the Senate. The House provided no funds for the Conference.

Deletes language proposed by the Senate which reduced the amount appropriated to each discretionary account by 1.478 percent.

Modifies language proposed by the Senate concerning remanfactued and recycled toner cartridges.

TONER CARTRIDGES

The conferees have agreed to amend the Senate language as adopted by the Senate in amendment numbered 43 and to delete the Senate language adopted by the Senate in amendment numbered 100.

In amending the language, the conferees have inserted language to ensure that if an agency decides to give preference, that small businesses continue to compete only with each other for GSA's remanufactured toner cartridge solicitations. The conferees note that this action simply reconfirms current Federal Acquisitions Regulation (FAR) requirements. FAR provision 19.502-2, requires that when purchasing certain items, like toner cartridges, if two or more small businesses can meet the specifications which include price and quantity availability, GSA must "set aside" the procurement for small businesses.

The action of the conferees will ensure that the recycled toner cartridge solicitations will be open to all qualified bidders. Furthermore, the conferees set forth guidelines under which newly manufactured cartridges may be purchased.

Finally, the conferees have inserted language to ensure that the provision will not affect current law with respect to organizations for the Blind or Other Severely Handicapped (NIB/NISH).

CITIZENS' COMMISSION ON PUBLIC SERVICE AND COMPENSATION

SALARIES AND EXPENSES

(RESCISSION)

Amendment No. 44: Inserts a provision proposed by the Senate rescinding $250,000 of the funds made available in the fiscal year 1993 appropriation.

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SALARIES AND EXPENSES

Amendment No. 45: Appropriates $1,000,000 for salaries and expenses as proposed by the Senate. The House provided no funds for this Commission.

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUNDS

Amendment No. 46: Inserts a provision proposed by the Senate which appropriates funds to the Federal Buildings Fund.

REVIEW OF FEDERAL BUILDING CONSTRUCTION

On September 16, 1993, the Administrator of the General Services Administration (GSA) announced a comprehensive review of the public buildings process beginning immediately and lasting from 3 to 6 months. The Administrator has stated that the intent of this review is to produce cost savings wherever possible.

The conferees concur in the Administrator's decision to review these projects on the basis of merit and cost but are concerned that the practical effect of the construction moratorium is that budget authority previously provided for 188 different projects is being withheld from obligation .

As required by the Impoundment Control Act, the General Accounting Office (GAO) is currently reviewing the Administrator's decision to withhold these funds to determine whether such action is reportable under the Impoundment Control Act. The conferees look forward to the Comptroller General's report and will rely on this decision.

If in the report, GAO determines that a deferral is required, the conferees direct the Administrator of GSA and the Comptroller General to follow existing deferral reporting procedures. The Administrator is also urged to expeditiously complete a review of these projects so as to not cause any unnecessary delays, costs or project slippage.

ANALYSIS OF FEDERAL BUILDING CONSTRUCTION

The conferees agree that the Federal construction projects are subject to review by the General Services Administration (GSA). The conferees direct the Administrator of the GSA to carefully review federal building construction projects to ensure that they meet the requirements of the Federal government. The GSA should conduct an analysis as to the need for these buildings including an assessment of the requirements of the agencies which will be housed in these facilities. The GSA should also carefully review each project to insure that it is not only necessary but is the appropriate size and design for the government entities to be housed there. Finally the conferees direct GSA to insure that the costs are fully justified for each project.

The Administrator is directed to report to the House and Senate Committees on Appropriations on the results of this analysis.

ACCESS TO RESOLUTION TRUST CORPORATION PROPERTIES

The conferees understand that legislation has been proposed to improve the access of GSA to Resolution Trust Corporation (RTC) properties for use by the Federal government. The conferees expect the Administrator of GSA to work with the RTC to identify properties which could be available for meeting the requirements of Federal agencies.

MANAGEMENT OF FEDERAL GOVERNMENT REAL ESTATE

The conferees agree with the recommendation of the Vice President's National Performance Review that the Public Buildings Service become a provider of choice. While the conferees recognize that the Federal Buildings Fund rent rates may appear cumbersome because they are structured to provide a margin of income for capital expenditures for construction of a new facilities and major repairs, the conferees agree that by involving customer agencies in the decision making and by increasing competition, the taxpayers will benefit through lower costs.

The conferees are concerned, however, that should the government decentralize the management of the government's real estate assets, the benefit of centralized decision making will not be realized. Recent investigations by the General Accounting Office have shown that other Federal entities cannot prioritize their own requirements. Decentralizing the decision making process would only yield a federal budget which does not prioritize all of the needs of the government.

The conferees agree that the General Services Administration should be the agency charged with managing all government assets to optimize the highest rate of return. The conferees look forward to the establishment of GSA as the government wide asset manager effectively managing the government's vast portfolio of real property holdings.

BUILDING DELEGATION PROGRAM

The conferees are aware that the General Services Administration (GSA) has implemented a very successful Building Delegation Program. Under this program, GSA has delegated authority for Real Property management functions to Federal agencies which are single tenants in selected Government-owned and leased buildings. The GSA budgets for operational and administrative costs directly within the Federal Buildings Fund and tenant agencies continue to budget for and pay full rent to GSA. Each year GSA returns funding to each participating agency for operation of these buildings through individual allocation accounts. However, the program has become a cumbersome, ineffective and costly method for GSA to manage. Therefore, the conferees direct GSA and the Office of Management and Budget to include necessary operating funds for buildings delegation in each agency's budget for fiscal year 1995, rather than budgeting for these requirements in the Federal Buildings Fund.

Amendment No. 47: Modifies a provision proposed by the Senate appropriating $288,486,000 into the Fund.

Amendment No. 48: Establishes an aggregate amount of $5,251,177,306 in the Federal Buildings Fund instead of $5,185,611,000 as proposed by the House and $5,253,877,000 as proposed by the Senate.

Amendment No. 49: Makes available $925,027,306 for construction instead of $820,476,000 as proposed by the House and $933,787,000 as proposed by the Senate.

Amendment No. 50: Deletes language proposed by the House and modifies language proposed by the Senate which provides funding related to the construction of certain buildings and facilities.

FEDERAL COURTHOUSE, AUGUSTA, GEORGIA

The conferees have agreed to fund the $1,000,000 identified by the Senate for the repairs and renovations to the Courthouse in Augusta, Georgia, from funds available in the construction account.

FEDERAL CENTER, ROCHESTER, NEW YORK

The conferees have included an additional $5,000,000 to complete the federal center in Rochester, New York, which was initially funded in the Treasury, Postal Service, and General Government Appropriations Act, 1991 (P.L. 101-509).

Amendment No. 51: Modifies language proposed by the House and stricken by the Senate providing that funds be available for four flexiplace work telecommuting center projects located in Southern Maryland, northwestern Virginia, Hagerstown, Maryland, and Fredericksburg, Virginia and increases the funding level to $6,000,000.

Amendment No. 52: Rescinds $185,344,000 as proposed by the Senate instead of $107,781,000 as proposed by the House.

Amendment No. 53: Inserts a provision proposed by the Senate providing that $1,500,000 made available in a previous fiscal year for Hilo, Hawaii shall be available to a public entity in Hawaii to construct government facilities.

Amendment No. 54: Appropriates $523,782,000 for repairs and alterations instead of $546,682,000 as proposed by the House and $516,782,000 as proposed by the Senate.

Amendment No. 55: Restores a provision proposed by the House and stricken by the Senate modified to make available $7,000,000 for energy retrofit projects.

Amendment No. 56: Restores a provision proposed by the House which provides that $6,000,000 may be used to procure and install phosphoric acid fuel cells in GSA installations.

Amendment No. 57: Provides $6,800,000 for certain capital improvements of United States-Mexico border facilities as proposed by the Senate.

LUKEVILLE, ARIZONA

The conferees urge the U.S. Customs Service to provide 24 hour emergency service at the border station in Lukeville, Arizona. It is imperative that this facility be prepared for emergencies when it is closed. The conferees understand that Customs intends to place signs at this facility providing instruction on emergency procedures and urges Customs to do so at the earliest possible date.

Amendment No. 58: Makes available $118,108,000 for installment acquisition payments including payment on purchase contracts as proposed by the House instead of $119,108,000 as proposed by the Senate.

Amendment No. 59: Makes available $2,117,421,000 for rental space as proposed by the Senate instead of $2,124,373,000 as proposed by the House.

Amendment No. 60: Makes available $1,226,085,000 for real property operations as proposed by the Senate instead of $1,231,085,000 as proposed by the House.

Amendment No. 61: Makes available $184,081,000 for design and construction services as proposed by the Senate instead of $188,274,000 as proposed by the House.

Amendment No. 62: Deletes a provision proposed by the House and stricken by the Senate which prohibited expenditures without prior authorization for certain projects.

Amendment No. 63: Modifies a provision proposed by the House and stricken by the Senate which authorizes the Department of Agriculture to provide funds for the construction of a facility for a nongovernmental entity.

Amendment No. 64: Modifies language proposed by the Senate which provides for approval of construction projects by legislative

Committees prior to funds becoming available.

Amendment No. 65: Establishes a limitation of $5,251,117,306 for the Federal Buildings Fund instead of $5,185,611,000 as proposed by the House and $5,253,877,000 as proposed by the Senate.

FEDERAL SUPPLY SERVICE

OPERATING EXPENSES

Amendment No. 66: Makes available $43,420,000 for operating expenses as proposed by the Senate instead of $55,804,000 as proposed by the House.

ESTABLISHING A REIMBURSABLE FEDERAL SUPPLY SERVICE

The conferees note that the House included report language on establishing a reimbursable Federal Supply Service (FSS), requesting that GSA initiate a management review of the FSS to determine the feasibility of making it a totally reimbursable activity in fiscal year 1995. The conferees agree that the FSS should work with the Office of Management and Budget to implement a fiscal year 1995 policy to include all FSS costs in the rates charged to customers. Furthermore, the conferees agree that the Federal agencies should be allowed a choice of purchasing from the FSS or from the commercial sector. This would provide each agency the opportunity to obtain items in the most cost beneficial manner. The General Accounting Office should review this arrangement and report on the effect such as change would have on the Federal government.

Related to the issue of reimbursable funding, the conferees are aware that FSS has programs which provide services to customers, such as contracts for agencies' use where agencies' payments for these services do not flow through the General Supply Fund. Until the changes recommended by the conferees are made, FSS is unable to recover its costs directly from customers through an overhead charge on the cost of goods or services provided through such programs. However, there may be instances when the provided service generates receipts not directly related to the cost of service. Such receipts should be available to fund the cost of creating and providing the services which have in fact generated the revenue. The conferees direct the Administrator to keep the Committees informed as such funding is identified and becomes available. During the transition from appropriated to reimbursable funding, funds appropriated but not longer necessary should not be obligated.

POLLUTION ABATEMENT TEST

The Energy Policy Act of 1992 calls on the Secretary of Energy in conjunction with industry and federal agencies to conduct a study on diesel engine combustion and fuels and lubricants to reduce emissions of oxides of nitrogen and particulates. To assist in the conduct of this study, the conferees direct the Administrator of GSA to consider developing a program involving GSA-fleet vehicles, in particular trucks and buses, to test diesel fuel additives as a means to reduce emissions and particulates.

WORLD CUP USA 1994

The conferees direct GSA to continue to provide available secure storage and office space, equipment, and other logistical support on a temporary basis to the World Cup organizers in the nine venues and to make available temporary exhibition space in U.S. Government buildings for international cultural and artistic events associated with World Cup USA 1994.

INFORMATION RESOURCES MANAGEMENT SERVICE

OPERATING EXPENSES

Amendment No. 67: Appropriates $45,675,000 as proposed by the House instead of $44,730,000 as proposed by the Senate and deletes a provision proposed by the House which would have prohibited the use of funds for the Information Security Oversight Office.

MANAGEMENT RESEARCH SUPPORT

The conferees are supportive of the Administration's efforts to reinvent government and are interested in assuring that GSA has the benefit of the most advanced thinking and research in business management, procurement policy, computer applications and other management issues of concern to the Federal Government. For this reason, the conferees recommend that GSA solicit proposals from institutions of higher education for the purpose of determining whether or not GSA should establish university-based research centers to assist in developing improved methods of management, procurement policy, and computer and software applications for the Federal Government.

INFORMATION SECURITY OVERSIGHT OFFICE

The conferees have agreed to remove the restrictive language which prohibited the expenditure of funds for the Information Security Oversight Office (ISOO), as proposed by the House. Furthermore, the conferees have agreed not to move the ISOO to the National Security Council (NSC), as proposed by the Senate. The outcome of both of these actions will be to maintain the ISOO within the General Services Administration's Information Resources Management Service (IRMS).

The House action which eliminated funding for the ISOO was based on the Office's actions which included the issuing of a draft directive undermining current federal procurement regulations. This draft directive was issued without the approval of the Administrator of General Services, despite the implications that such a regulation would have on GSA operations. Despite the House concerns, the conferees are aware that the original charter of the ISOO, the implementation of security standards for government equipment, needs to be accomplished.

However, the conferees agree that the GSA should exert greater management control of ISOO. While it is not the intention of the conferees to replace the direction provided by NSC, the conferees agree that the Administrator of GSA should provide significant oversight of ISOO's operations. It is the conferees' intent to ensure that the mistakes of the past are not repeated.

GENERAL SERVICES ADMINISTRATION—GENERAL PROVISIONS

Amendment No. 68: Deletes a provision proposed by the House and stricken by the Senate regarding the Foley Square Federal Building.

Amendment No. 69: Inserts a provision proposed by the Senate providing guidelines for the use of unobligated balances associated with operating expenses and salaries and expenses that have been unobligated at the end of the fifth fiscal year after the fiscal year for which the funds were appropriated.

Amendment No. 70: Inserts a provision proposed by the Senate amending Section 204 of the Federal Property and Administrative Services Act of 1949 by adding a subsection which provides authority for the Administrator of GSA to retain proceeds from the sale of personal property in the amount necessary to recover, to the extent practicable, costs incurred by the GSA (or its agent) in conducting such sales.

Amendment No. 71: Modifies language proposed by the Senate regarding a property exchange in Tucson, Arizona for a Federal Courthouse to ensure that the property is of comparable value.

Amendment No. 72: Inserts a provision proposed by the Senate concerning prohibiting the disposal of land in the vicinity of Norfork Lake, Arkansas.

Amendment No. 73: Inserts a provision proposed by the Senate concerning prohibiting the disposal of land in the vicinity of Bull Shoals Lake, Arkansas.

Amendment No. 74: Deletes a provision proposed by the Senate regarding space in the City of Newark, New Jersey.

VICTORY OPTICAL, NEWARK, NEW JERSEY

Based upon a study, the GSA has determined there is a need for Federal office space in downtown Newark. The City of Newark has proposed a project in the Federal Square Campus Center at the Victory Optical site, One Victory Plaza, in Newark. The Victory Optical site is adjacent to and connected with three other major Federal buildings. As proposed by the City of Newark, the project would designate a minority controlled group to develop and operate the office building. The conferees direct the GSA to meet with Newark officials and give serious consideration to Newark's proposal to determine if it provides a cost effective solution to Newark's proposal to be cost prohibitive. The conferees encourage GSA to separately consider the Victory Optical site for government development.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

Amendment No. 75: Deletes a provision proposed by the House and stricken by the Senate which provided funding for the National Advisory Council on Public Service.

DISEASE PREVENTION AND HEALTH PROMOTION

The conferees expect OPM to continue to collaborate with the Centers for Disease Control and Prevention of HHS to secure health promotion and disease prevention and disease prevention expertise from academic institutions and further, to ensure that efforts are also made to develop innovative ways to utilize video communications technology. The conferees further direct OPM to utilize the unique expertise that has been demonstrated by the University of Arizona and the University of Hawaii under this program.

ENHANCING THE QUALITY OF WORKLIFE FOR FEDERAL EMPLOYEES

The conferees believe that the Office of Personnel Management (OPM) has indeed begun to address the issue of providing federal employees with a family-friendly workplace. At the same time the conferees are aware of the fact that many agencies are not fully advocating or implementing flexible work policies. It is in the best interest of all federal agencies to promote a family-friendly working environment especially during the period of "reinventing government". The government's ability to retain and attract the most qualified professionals will indeed depend highly on the employees' perception of "employee satisfaction" objectives of the federal government. The conferees believe OPM is in a position to take a stronger leadership role in addressing this issue since having established a Work and Family Program Center within its Personnel Systems and Oversight Group. The conferees conclude that OPM should direct federal agencies attention to the Center, and have it serve as

the focal point for all federal work/family efforts.

OPM STUDY OF CHIROPRACTIC SERVICES

The conferees are concerned that the Office of Personnel Management has failed to proceed with a study, as directed in last year's bill, on how chiropractic services for treatment of back pain in federal employees could reduce cost in the Federal Employees Health Benefits Program. The conferees direct OPM to proceed with this important study.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

Amendment No. 76: Makes available $3,805,480,000 for government payment for annuitants, employees health benefits instead of $4,146,480,000 as proposed by the House and $3,458,480,000 as proposed by the Senate. The Administration has advised the conferees that this amount will fully fund the government's contribution for the Government Payment for Annuitants, Employees Health Benefits.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

Amendment No. 77: Appropriates $195,482,000 for operating expenses instead of $193,182,000 as proposed by the House and $196,482,000 as proposed by the Senate.

The conferees have provided a total of $195,482,000 for National Archives and Records Administration, an increase of $2,300,000 over the requested level. Of this amount, $500,000 shall be made available to support planning activities on the renovation of the FDR Presidential Library in Hyde Park, New York, and $500,000 for a feasibility study on integrating the Archives collection into Internet and other on-line systems. The remaining increase shall be available to support a total funding level of $5,250,000 for NHPRC grants in fiscal year 1994.

Amendment No. 78: Makes available $5,250,000 for allocations and grants for historical publications and records instead of $4,000,000 as proposed by the House and $6,000,000 as proposed by the Senate.

U.S. TAX COURT

SALARIES AND EXPENSES

Amendment No. 79: Appropriates $33,650,000 for salaries and expenses as proposed by the House instead of $35,350,000 as proposed by the Senate.

TITLE V—GENERAL PROVISIONS—THIS ACT

Amendment No. 80: Deletes a provision proposed by the House and stricken by the Senate which prohibited the expenditure of funds for administrative expenses to close the Federal Information Center in Sacramento, California.

Amendment No. 81: Restores language proposed by the House and stricken by the Senate prohibiting the withdrawal of the designation of Front Royal, Virginia as a Customs Service Port of Entry.

Amendment No. 82: Inserts and changes the section number of a provision proposed by the Senate requiring the absorption of pay increases within the levels appropriated by this Act. Also inserts a provision which prohibits a general, across-the-board pay increase for Federal employees.

FEDERAL EMPLOYEES GENERAL PAY INCREASE

The conferees opted to freeze the general pay increase due in January 1994 in order to implement locality-pay raises. The Administration requested a freeze for both increases, however the conferees believed that it was more important to implement locality pay on schedule. The conferees believe that the costs associated with implementing both raises would force federal agencies to furlough or fire employees.

Amendment No. 83: Deletes a provision proposed by the House and stricken by the Senate which concerned the use of funds to move the Internal Revenue Service's Automated Collection Unit in Manhattan, New York.

AUTOMATED COLLECTION UNIT, MANHATTAN, NEW YORK

The conferees are aware that the Internal Revenue Service intends to eliminate its Automated Collection Unit in Manhattan, New York. The conferees do not believe the decision to close the Unit has been fully substantiated. The conferees, therefore, urge the Internal Revenue Service to explore all viable options to maintain the existing unit in New York until it can fully identify cost savings. Should such cost savings be identified and the Automated Collection Unit in Manhattan, New York is eliminated, the conferees urge the Internal Revenue Service to reassign every Manhattan Automated Collection Unit employee to a position at the same grade or pay level in the Manhattan commuting area. The Internal Revenue Service Commissioner has assured the conferees that this will be done and the conferees intend to monitor the situation to ensure that it is done.

Amendment No. 84: Restores language proposed by the House and stricken by the Senate authorizing the transfer of GSA property in Suitland, Maryland to the Washington Metropolitan Area Transit Authority.

Amendment No. 85: Inserts a provision proposed by the Senate requiring the Secretary of the Treasury to complete the Bureau of the Public Debt consolidation plan by a certain date.

Amendment No. 86: Restores language proposed by the House and deleted by the Senate regarding the conveyance of property to the State of Maryland from the General Services Administration.

Amendment No. 87: Restores language proposed by the House and stricken by the Senate. This provision prohibits the use of funds to provide any non-public mailing lists to any person or organization outside of the Federal Government.

Amendment No. 88: Modifies a provision proposed by the House and stricken by the Senate regarding the transfer of land to the City of Waltham, Massachusetts.

Amendment No. 89: Restores language proposed by the House and stricken by the Senate regarding the compliance with the "Buy American Act".

Amendment No. 90: Restores language proposed by the House and stricken by the Senate concerning the requirement regarding notice of American-made equipment and products.

Amendment No. 91: Restores language proposed by the House and stricken by the Senate concerning prohibition of contracts which use certain goods not made in America.

Amendment No. 92: Inserts a provision proposed by the Senate transferring certain GSA lands to the 19 Pueblo Tribes of New Mexico.

Amendment No. 93: Inserts a provision proposed by the Senate transferring certain lands located in Holbrook, Arizona from the Department of the Air Force to the National Park Service.

TITLE VI—GOVERNMENTWIDE GENERAL PROVISIONS

Amendment No. 94: Modifies language proposed by the House and deleted by the Senate concerning blue collar wage grade employee pay.

FEDERAL WAGE SYSTEM

The conferees adopted the Senate language in section 615 which will parallel the phasing in of the locality-pay with the pay increases of Federal Wage System (FWS) employees.

Amendment No. 95: Restores language proposed by the House and stricken by the Senate which establishes certain reporting requirements for the detailing of certain Federal employees.

Amendment No. 96: Restores language proposed by the House and stricken by the Senate which provides for mandatory use of FTS2000. The conferees agree that this constitutes legislation on an appropriations bill and that mandatory use language is included because the authorizing committees have requested the conferees to include this provision in this Act. The conferees recognize the government-wide savings achieved as a result of FTS2000 and believe that mandatory use should continue as long as the Administration can demonstrate that it is cost effective.

Amendment No. 97: Inserts a provision proposed by the Senate relating to the funding of transportation audits, by requiring an audit fee to be charged and collected by GSA.

Amendment No. 98: Inserts a provision proposed by the Senate extending by one year the reporting date for the Social Security Notch Commission.

Amendment No. 99: Inserts a provision proposed by the Senate which renames and extends the Washington, DC–MD–VA metropolitan statistical area for purposes of Section 404 of the Federal Employees Pay Comparability Act of 1990.

Amendment No. 100: Deletes language proposed by the Senate which related to toner cartridge recycling. For further discussion, see amendment numbered 43.

Amendment No. 101: Inserts a provision proposed by the Senate requiring agencies to have in place and administer a written policy to insure that all of its work places are free from discrimination and sexual harassment and are not in violation of certain laws.

Amendment No. 102: Modifies language proposed by the Senate regarding revenue forgone reform.

REVENUE FORGONE REFORM

Revenue Forgone Reform represents a compromise worked out by the Committee on Post Office and Civil Service among commercial and nonprofit mailers to eliminate the authorization for revenue forgone appropriations for nonprofit second-class, classroom second-class, in-county second-class, nonprofit third-class and library rate mail. The title creates a mechanism to continue preferred, lower postage rates for nonprofit mailers without the need for taxpayer subsidy. The title also establishes a six year phase-in of postage rate increases for nonprofit mail. During that phase-in period rates for nonletter-shaped nonprofit third-class mail must be at least the rate applicable on September 30, 1993.

Commercial use of nonprofit third-class mail has been prohibited. Advertising for nonprofit second-class mail has been limited as has the use of library rate mail by commercial publishers. Publishers may use library rate mail only for matter which has been ordered by libraries or schools. The managers intend that the Postal Service shall administer these new eligibility reforms in a manner that does not unduly jeopardize continued access to the postal system

by reduced rate mailers who are seeking to comply with the new standards. The Postal Service may well establish a phased-in enforcement policy, including use of its authority to settle any deficiency claim against a reduced rate mailer.

U.S. POSTAL SERVICE/U.S. CENSUS

The conferees are encouraged by the cooperation between the Postal Service and the Bureau of the Census thus far in preparing for the next census. The conferees expect the Postal Service to continue to cooperate fully with the Bureau of the Census to prepare address lists and geographic capability for the 1995 Census Test. Any delays will jeopardize the Census Bureau's ability to test adequately in 1995 methods needed to take the decennial census in 2000. Therefore, the conferees expect the Postal Service to share its address lists with the Census Bureau, as necessary to carry out a successful test. The conferees also expect that the information will remain confidential, since the Census Bureau is subject to strict standards of confidentiality under Title 13, U.S.C.

Amendment No. 103: Deletes a provision proposed by the Senate which would have provided that certain mailings made pursuant to that Act can be made at half the cost of first class mail.

VOTER REGISTRATION MAIL

The conferees deleted the Senate amendment that would have made a one-half First-Class postage rate available to voting registration officials, in place of the nonprofit third-class rate originally authorized in the National Voter Registration Act of 1993. This change would have increased the initial cost of reduced rates for voter registration mail from about $2.3 million to $9.7 million when the new Act becomes effective in 1995, and would have added a further amount to those costs each time that first-class rates were increased in a future postal rate proceeding. The conferees were disturbed by the potential cost of this reduced rate provision.

The conferees are aware, however, of the concerns of some election officials who believe that the bulk third-class mail rate will not be sufficient to include all of the mailing requirements of the Act. If this remains a problem, the conferees urge a review of this situation.

NATIONAL PARTNERSHIP COUNCIL

The amendment also inserts a provision which would establish, subject to authorization, the National Partnership Council. The National Partnership Council will be tasked with establishing a labor-management partnership to create a high-performance, high-quality government. In an effort to reinvent government, a new vision for labor-management relations is necessary in order to handle the obstacles which may be encountered as the government begins to change its way of operating. This National Partnership Council should be authorized by the appropriate legislative committees.

USE OF UNOBLIGATED FUNDS

The amendment also inserts a provision which allows 50 percent of the funds remaining unobligated at the end of fiscal year 1994 to be carried over to fiscal year 1995. Of the 50 percent, 2 percent may be used to finance cash awards to employees whose actions contributed to producing the savings and 3 percent may be used for employee training programs.

The salaries and expense accounts affected by this provision are as follows:

Title I—Departmental Offices, Office of the Inspector General, Federal Law Enforcement Training Center, Financial Management Service, Bureau of Alcohol, Tobacco and Firearms, United States Customs Service, United States Mint, Bureau of the Public Debt, Internal Revenue Service Administration and Management, Internal Revenue Service, Processing Tax Returns and Assistance, Internal Revenue Service, Tax Law Enforcement, and the United States Secret Service.

Title III—All accounts excluding only Compensation of the President, Unanticipated Needs, Federal Drug Control Program, and Special Forfeiture Fund.

Title IV—All accounts excluding Government Payment for Annuitants, Employees Health Benefits, Employee Life Insurance, and Payment to Civil Service Retirement and Disability Fund.

CENTERS FOR DISEASE CONTROL

The amendment also inserts a provision regarding the Centers for Disease Control (CDC). In order to meet the demands of long term growth, funds were authorized in the fiscal year 1993 Treasury, Postal Service, and General Government Appropriations Act to acquire a "new" CDC campus in the Atlanta, Georgia area. The conferees have included language to make clear that a CDC laboratory authorized in an earlier fiscal year may be erected on the new campus.

U.S. COURTHOUSE, MONTGOMERY, ALABAMA

The amendment also inserts a provision which authorizes the Administrator of General Services to pay for replacing the site and necessary improvements of the facility which is being vacated for the needs of the courthouse.

Amendment No. 104: Deletes a provision proposed by the Senate which would have established a non-smoking policy in Federal buildings.

NONSMOKING POLICY FOR FEDERAL BUILDINGS

The conferees have agreed to eliminate this Senate provision which established a nonsmoking policy for federal buildings. The language proposed by the Senate is legislative in nature and is currently under consideration by the appropriate legislative Committees.

While the conferees have agreed to eliminate the provision, this does not signal a lack of concern for the health and safety of employees. The conferees understand the concerns over the effect of second-hand smoke on those working in poorly ventilated areas. Therefore, the conferees agree that the Administrator shall ensure the establishment of separate smoking areas. Furthermore, the conferees agree that the Administrator should establish a policy to phase out these smoking areas over a period of time.

Amendment No. 105: Deletes language proposed by the Senate which would have prohibited the sale of tobacco products in vending machines located in or around any Federal building except under certain circumstances.

CIGARETTE SALES TO MINORS

The conferees have agreed to eliminate this language concerning cigarette sales to minors. The language proposed by the Senate is legislative in nature and is currently under consideration by the appropriate legislative Committees.

While the conferees have agreed to eliminate the provision, this does not signal a lack of concern for the health and safety of minors. The conferees agree that locating cigarette sales vending machines in areas accessible to minors poses a serious problem as their presence increases the availability of products which otherwise may be prohibited from sale to minors. Therefore, the conferees direct the Administrator to eliminate vending machines in areas which are accessible to minors.

COMPENSATING NON-U.S. CITIZENS

The amendment also inserts a provision which amends Section 606 of this Act to allow certain citizens of the former Soviet Union to be employed by the United States Government.

The amendment also inserts a provision which amends Section 606 of this Act to allow certain citizens of the People's Republic of China to be employed by the United States Government.

The purpose of this language is to ensure that compensation of any officer or employee of the Government of the United States whose post of duty is in the U.S. shall be available and provided to nationals of the People's Republic of China formerly protected by the Executive Order No. 12711 of April 11, 1990. Chinese aliens covered under this section include those nationals that meet the eligibility requirements of the Chinese Student Protection Act (P.L. 102-404), whether or not they took advantage of said benefits.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1994 recommended by the Committee of Conference, with comparisons to the fiscal year 1993 amount, the 1994 budget estimates, and the House and Senate bills for 1994 follow:

New budget (obligational) authority, fiscal year 1993	$22,527,131,538
Budget estimates of new (obligational) authority, fiscal year 1994	22,006,136,000
House bill, fiscal year 1994	22,708,780,000
Senate bill, fiscal year 1994	22,157,687,000
Conference agreement, fiscal year 1994	22,538,822,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1993	+11,690,462
Budget estimates of new (obligational) authority, fiscal year 1994	+532,686,000
House bill, fiscal year 1994	−169,958,000
Senate bill, fiscal year 1994	+381,135,000

STENY H. HOYER,
PETER J. VISCLOSKY,
GEORGE (BUDDY) DARDEN,
JOHN W. OLVER,
TOM BEVILL,
MARTIN O. SABO,
WILLIAM H. NATCHER,
JIM LIGHTFOOT (except amendment 36),
FRANK R. WOLF (except amendment 36),
JOSEPH M. MCDADE (except amendment 36),
Managers on the Part of the House.

DENNIS DECONCINI,
BARBARA A. MIKULSKI,
J. ROBERT KERREY,
ROBERT C. BYRD,
CHRISTOPHER S. BOND,
AL D'AMATO,
MARK O. HATFIELD,
Managers on the Part of the Senate.