

SENATE—Wednesday, February 17, 1993

(Legislative day of Tuesday, January 5, 1993)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. The prayer will be led by the Senate chaplain, the Reverend Dr. Richard C. Halverson. Dr. Halverson, please.

PRAYER

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

Let us pray.

Eternal God, may we hear and heed the wisdom of proverbs. "Trust in the Lord with all thine heart; and lean not unto thine own understanding. In all thy ways acknowledge him, and He shall direct thy paths."—Proverbs 3:5,6.

The crises of our time are far too desperate to trust in "the best we can do." As Thou didst guide our Founding Fathers through prayer and biblical insight, so guide the leadership of our Nation today. When Your servants have reached the limits of their best, lead them beyond to the transcendent wisdom of Proverbs. Give them grace to trust in the Lord with all their hearts, to not depend on themselves; to acknowledge Him in all their ways, that He may guide them in the right way to the right answers.

In the name of Jesus who is Truth incarnate we pray. Amen.

RECOGNITION OF THE MAJORITY LEADER

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

SCHEDULE

Mr. MITCHELL. Mr. President, this morning following the time reserved for the two leaders, there will be a period for morning business until 10:30 a.m., during which Senators may speak for up to 5 minutes each, with Senators BOREN and GRAMM of Texas eligible to be recognized for additional periods of time.

At 10:30 this morning, the Senate will resume consideration of S. 1, the National Institutes of Health reauthorization bill.

The Senate will be in recess today from 12:30 p.m. until 2:15 p.m. for a party conference luncheon.

And, of course, Mr. President, this evening, the President will come to the Capitol, to the House Chamber to ad-

dress a joint session of Congress. The Senate will gather and walk to the House Chamber as a group at 8:30 p.m. Those Senators wishing to attend the joint session to hear the President should be present in the Senate Chamber by 8:25 p.m. to travel together as a group to the House at 8:30 p.m.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my leader time and I reserve all of the leader time of the distinguished Republican leader.

The PRESIDENT pro tempore. Without objection, the time of both leaders is reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the standing order, there will now be a period for the transaction of morning business, with Senators permitted to speak therein under the order for up to 5 minutes each.

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

The PRESIDENT pro tempore. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

The Senator from Mississippi [Mr. COCHRAN] is recognized for not to exceed 5 minutes.

MAKING A COMMITMENT TO WORK TOGETHER

Mr. COCHRAN. Mr. President, tonight we look forward to receiving the message of President Clinton as he presents his plan for economic recovery and reducing the deficit to the joint session of Congress which will be meeting in the House Chamber. Leading up to this event, there have already been some outlines of the proposal made in radio addresses, a television address to the country, personal meetings, and in other ways, so that we are all acquainted at this time with the general outline of the President's proposals.

I was very honored and pleased to have been called upon this past weekend to deliver the Republican response to the President's radio address on February 13. It is a little difficult to

avoid prejudging the proposal with all of the information that has been made available to us, but I still have the opinion that whatever the President proposes should receive a very careful and full review by both Republicans and Democrats and that we should, as far as possible, refrain from making judgments before the speech is given about whether or not we will be able to work together to craft some final legislative product that will strengthen the economy and be effective in reducing the budget deficit.

I think we all share those goals with the President, and the matter of working together remains our commitment to the people we represent to be sure that the Government in Washington works for their interests and not against them. But we all have the same constituency, regardless of our party or whether we serve in the executive branch or the legislative branch.

I hope we will all make a commitment to try as hard as we can to work in a constructive way to deal with these problems that our country faces. I really think that a lot of fear and anxiety that we see out in the countryside right now is based on a view that our Government has not proven in the past that it listens as carefully as it should to the people, and that it works as well as it should to really solve the problems we face.

I think we all have an obligation to help restore confidence in our Government's ability to solve problems and to work with the American people to help them achieve their goals and aspirations. These are challenges that both the President and the Congress face together, and I look forward to working, as I know other Senators do, in this effort, to try to make sure that the decisions we reach are sound, that they are good policy decisions, and that they serve the interests of the American people, not just the short-term interests of a political party necessarily—but the genuine, legitimate interests of the vast majority of Americans.

I ask unanimous consent, Mr. President, that a copy of the response that I gave on February 13 to President Clinton's radio address be printed in the RECORD.

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

SENATOR THAD COCHRAN GIVES REPUBLICAN RESPONSE TO PRESIDENT CLINTON'S RADIO ADDRESS OF FEBRUARY 13, ON THE CLINTON ECONOMIC PLAN

The president has now completed the selection of his Cabinet and is preparing his first

address to Congress. While some are already writing his political obituary because of the controversies that have swirled around the White House during the last three weeks, it is not my purpose to add to the criticism or to try to embarrass the president.

I want to extend to him a political olive branch, an offer of cooperation. The people I represent as a United States senator are tired of partisan politics as now practiced by many in Washington. What they would like to see instead is more of an effort to work together, with much less emphasis on party politics and more on finding common ground and making decisions based on the merits of ideas.

There are naturally going to be programs and proposals the president will make that we will not be able to support. But his suggestions should get a fair hearing and careful consideration from both Republicans and Democrats. A full and open debate will help ensure that the final decisions serve the long-term interests of the American people, not just the short-term interests of one political party.

That is the test which I think should apply to any proposal the president makes. Self-righteous-sounding pronouncements, whether about campaign reform or the economy, should be judged against a standard of fairness. That standard requires us to ask, does it serve the common good?

With respect to the president's economic program, let me briefly offer two suggestions that I hope the president keeps in mind.

First, we don't need new symbolic spending that adds to the budget deficit at a time when the economy is growing. In the fourth quarter of 1992, the growth rate was a very healthy 3.8 percent. Last year, our productivity jumped 2.7 percent, the largest annual increase in 20 years.

The American economy is stronger than that of any industrial nation. An economic stimulus package could do more harm than good if the result is more federal debt and higher rates of inflation. That means fewer jobs, also, rather than more.

Second, to reduce the budget deficit, we should put the emphasis on spending restraints and make new efforts to slow the growth of federal spending programs. Raising taxes or imposing new taxes will end up making the federal government bigger and more powerful, but it is not the most effective way to reduce the deficit.

Some of the new taxes would hit many Americans especially hard. The energy tax, for example, would create some real and unfair hardships on those who have to drive long distances to work every day and on those who work in the transportation industries. Republicans in Congress are ready to go to work with President Clinton to strengthen our economy and reduce the budget deficit. At the same time, we are aware that we have the responsibility to make sure the government works for the American people and not against them.

Over 200 years ago, Thomas Jefferson had some sound advice that still rings true today. The government, he said, can do something for the people only in proportion as it can do something to the people.

I hope that this year Republicans and Democrats will resolve to work together to solve the problems that face our country in a renewed spirit of cooperation. We can restore confidence in our government only by demonstrating that we can make good policy decisions. We should try for a change to do what's best for America and not worry so much about who gets the credit.

CONSTRUCTION OF A NEW INTERSTATE HIGHWAY

Mr. COCHRAN. Mr. President, I was visited in my office yesterday by a good friend of mine who serves in the State legislature in Mississippi. Tom Cameron is a member of the house of representatives in our State, and he came to my office to deliver to me personally a copy of a senate concurrent resolution which had been adopted by the senate and the house of representatives in our State. It was just adopted by the House yesterday, and so his visit was very timely.

The subject of the resolution is the possible construction of a new interstate highway that would connect Indianapolis, IN with the Gulf of Mexico. Interstate 69, as I understand it, right now originates in the State of Michigan and runs at this time through the State of Indiana to the city of Indianapolis.

In recent legislation, the authority to extend this highway still further to Memphis, TN, was approved and other language had been adopted in an appropriations bill suggesting the highway ought to be carried all the way to the Gulf of Mexico. It is my hope that the Congress can look at and respond to this issue, and then authorize and fund the construction of a highway that would continue through Memphis, the Mississippi Delta, Arkansas, Louisiana, and east Texas to the Gulf of Mexico.

I ask unanimous consent, Mr. President, that a copy of Senate Concurrent Resolution No. 511 as adopted by the State legislature, signed by Eddie Briggs, president of the senate, and Tim Ford, speaker of the house of representatives, be printed in the RECORD.

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

SENATE CONCURRENT RESOLUTION NO. 511
(A concurrent resolution memorializing Congress to ensure that the extension of Interstate 69 from its current terminus at Indianapolis, Indiana, southwestward to the Mexican border is routed through the Mississippi Delta region in the vicinity of Greenville, Mississippi)

Whereas, Interstate 69 originates in the State of Michigan and is completed through the State of Indiana to the City of Indianapolis; and

Whereas, the 1991 Federal Intermodal Surface Transportation Efficiency Act, P.L. 102-240, Section 1105(c)(18), designated Indianapolis through Evansville, Indiana, to Memphis, Tennessee, as a National High Priority Corridor and appropriated \$23,700,000.00 to be spent over the next six years on engineering, location and design studies on a portion of this corridor which extends Interstate 69 southwestward from Indianapolis, Indiana, toward Memphis, Tennessee; and

Whereas, the United States Department of Transportation Appropriation Act of 1993, P.L. 102-388, Section 351, extends this National High Priority Corridor from Memphis, Tennessee, through Shreveport and Bossier City, Louisiana, to Houston, Texas, where another National High Priority Corridor con-

tinues to Laredo, Texas, and to the Republic of Mexico; and

Whereas, construction of a highway built to interstate standards along a corridor extending from the City of Indianapolis through the States of Kentucky and Tennessee to Memphis, and then south from Memphis through the Mississippi Delta to cross the Mississippi River in the vicinity of the City of Greenville and continuing through southern Arkansas and northern Louisiana to the City of Shreveport, and then continuing through eastern Texas to the City of Houston, with potential extension beyond the City of Houston to the Republic of Mexico would greatly enhance the economic well-being of the United States; and

Whereas, extending Interstate 69 from the Great Lakes to the Republic of Mexico would create a free trade corridor from Canada to Mexico which would aid in the goal of increasing exports; and

Whereas, the area in Mississippi, Arkansas and Louisiana through which the proposed route passes, including the Mississippi Delta, is economically depressed and would be vastly aided in its economic development by an interstate highway connecting this area with major metropolitan centers such as Detroit, Indianapolis, Memphis, Shreveport and Houston; and

Whereas, the proposed highway would correct the historic omission of the Mid-Delta region from the interstate highway system, an omission which has caused the area to suffer economically for the past three decades:

Now, therefore, be it resolved by the Mississippi State Senate, the House of Representatives concurring therein, That we urge the Congress to take speedy and appropriate action to ensure that Interstate 69 will be extended along a National High Priority Corridor from Indianapolis, Indiana, through Memphis, Tennessee, and western Mississippi, crossing the Mississippi River in the vicinity of Greenville, Mississippi, then through southern Arkansas to Shreveport and Bossier City, Louisiana, to Houston, Texas, and the Republic of Mexico, and that adequate funding to plan and construct this highway should be authorized and appropriated.

Be it further resolved, That copies of this resolution be furnished to the Speaker of the House of Representatives, the President of the United States Senate, the Secretary of Transportation and the members of the Mississippi Congressional Delegation.

Adopted by the Senate February 12, 1993.

EDDIE BRIGGS,

President of the Senate.

Adopted by the House of Representatives February 15, 1993.

TIM FORD,

Speaker of the House of Representatives.

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

The PRESIDENT pro tempore. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. GRAMM. Mr. President, I think the unanimous-consent request last night gave me 10 minutes and I would

like to have an opportunity to use that time.

The PRESIDENT pro tempore. Under the order, the Senator from Texas [Mr. GRAMM] is recognized for not to exceed 10 minutes.

Mr. GRAMM. Thank you, Mr. President.

THE CLINTON ECONOMIC PLAN

Mr. GRAMM. Mr. President, this morning I want to talk about the Clinton economic program, the national crisis we face with deficit spending, and about where we are and what our options are.

I am sure, Mr. President, that many Americans were surprised by what they heard the other night. They heard the President in essence say to them that what the President said during the campaign was at variance with what his new administration will do.

During the campaign, not once but a dozen times our President said that when he was talking about raising taxes, he was talking about taxing rich people, specifically those who had gross adjusted incomes as a family of \$200,000 or above.

What has happened as we have moved from that campaign rhetoric to a concrete proposal—which we will see tonight but which has leaked out through a variety of sources—is that that threshold of taxing has fallen from \$200,000 to \$100,000. Today it is down to \$30,000. We all know that when you impose an energy tax you drive up the price of gasoline for every American. You drive up the cost of heating and cooling the homes of every American.

So the President is now proposing taxes that do not represent some far away tax imposed on some rich person somewhere but taxes that impose a heavy burden on the people who do the work and pay the taxes and pull the wagon.

What is equally alarming to me, Mr. President, is at the same time that the definition of who is going to be taxed has changed dramatically. The definition of what is going to be done about spending has changed dramatically as well.

In the campaign, the President spoke of \$3 in spending cuts for every dollar of taxes. Then when the new Office of Management and Budget Director was before the Senate in confirmation he spoke of \$2 of spending cuts for every dollar of taxes. Then last week the discussion was \$1 in spending cuts for every dollar of taxes. That is now down into the 90 cents of spending cuts for every dollar of taxes and there is growing evidence that this does not include the \$16 billion of new economic stimulus spending which as I understand could well be sent to the Congress on an emergency designation.

While not trying to be overly critical, Mr. President, but as I look at the

items that are at least contemplated in that economic stimulus package, they have the strange smell of pork to me rather than any kind of expenditure that would have a long-term impact on jobs.

If in fact the spending cuts do not include the additional spending, we might very well be down in terms of an initial commitment to about 50 cents of spending cuts for every dollar of taxes.

One of the things that is increasingly clear is that when the President is talking about sacrifice, he is talking about taxes. I personally do not see a shared sacrifice in those portions of the program that I have had an opportunity to see and review. When I hear sacrifice, ultimately the sacrifice is imposed on only one element of our society. That element is made up of the people who do the work, pay the taxes, and pull the wagon.

I see absolutely no evidence, Mr. President, that the people who are riding in the wagon, the people who are benefiting from the Government, are being asked to get out of the wagon and help pull. In fact, as I look at the information that is now available, non-defense discretionary spending will grow substantially under this program. Defense will be cut, but the total level of Government spending will actually go up as taxes go up.

I do not believe that approach represents shared sacrifice. I also do not believe that the American people are going to support the program, at least as we have seen it outlined to this point. My guess is, unless I figure this wrong, we are going to have the Congress take action to reject the President's program.

Quite frankly I am concerned that as we go into this debate we should go in with one commitment. That commitment is no matter what happens to the President's initial budget proposal, it ought not to lessen our commitment to deal with the problem. If it turns out that the American people view a program that would raise taxes, impose taxes on retirees, impose taxes on working people, but would at the same time allow the Government to get bigger, if the public ultimately rejects that as any kind of shared sacrifice to reduce the deficit, and if Congress rejects it, it is important, Mr. President, that we come back immediately on a bipartisan basis to try to come up with another program.

It is one thing to say that we reject the Clinton proposal. But I do not believe that that finishes our work. If the proposal tonight reflects the information that we have been given over the last 3 weeks, I believe it will and should be rejected. But I think that should not be the end of the budget debate. It should be the beginning of the budget debate.

Since we are going to be talking about a lot of issues as this debate oc-

curs, Mr. President, I wanted to just call your attention and the attention of the Senate and the public to two fundamental factors that often get lost in this debate. One factor has to do with what has happened to the American people, and the American family budget as compared to the Federal Government's budget and the State government's budget.

What I have done in a simple chart here is I have started in 1967, and I have plotted Federal spending in this blue line. What you can see is the real growth in Federal spending since 1967. If you look at this blue line, you can see that it is going in only one direction. That direction is up.

Then I took State and local government spending. That is the red line. As you can see, its direction is clearly up. But if you look at family income, family income even though it rose from 1981 to 1990, has been basically stagnant for the last 25 years.

So when we are talking about shared sacrifice, which is a concept that I subscribe to, it seems to me that the people who ought to do the most sacrificing are the people who have benefited the most, and those are the people who are in, who run, and who have benefited from the massive growth in Federal, State, and local government spending.

The family has not been a beneficiary of this expansion in Government. In my opinion, as we look at the mix of how we are going to deal with the deficit problem these are numbers we should keep in mind.

Finally, Mr. President, in an era where we are all talking about taxing rich people, I think it is important that we look at the facts in terms of the tax burden of this country, and maybe these numbers will be a little bit enlightening. In 1980, before Ronald Reagan ever became President, the top 1 percent of all income earners paid 18.2 percent of all the income taxes paid in America.

In 1990, they paid 25.4 percent. So the percentage of taxes paid on income by the top 1 percent of all income earners in America actually went up by 40 percent from 1980 to 1990. The top 5 percent paid 36 percent in 1980, 44.1 percent in 1990. So its share of the tax burden actually went up by 23 percent. The top 10 percent paid 48.8 in 1980; 56.1 in 1990. Their tax burden went up by 15 percent. The top 20 percent saw their tax burden up by 9 percent. The bottom 60 percent of all income earners actually saw their share of the tax burden decline by 20 percent. The bottom 40 percent saw it decline by 33 percent.

So, Mr. President, when we are talking about imposing tax burden, I think it is very important that we remember that in terms of the effective tax collection people are already paying a lot of taxes, and when we are imposing taxes we are stifling the incentive of people to work and save and invest.

I yield the floor.

The PRESIDING OFFICER (Mr. KOHL). Who seeks recognition?

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from South Dakota.

EXTENSION OF MORNING BUSINESS

Mr. DASCHLE. I ask unanimous consent that the time for morning business be extended until 10:45.

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

THE PRESIDENT'S ECONOMIC PLAN

Mr. DASCHLE. Mr. President, I am amazed sometimes at how the colleagues in this Chamber jump to conclusions prior to the time they even have the opportunity to see the President's plan.

We have seen illustrations of that again this morning, as we have seen in the past, and I think it is unfortunate. I sometimes wonder whether it is partisanship or whether it is true objectivity and concern for the proposals that lead people to come to the floor to criticize a plan prior to the time they have even had the opportunity to see it.

The President has basically said one thing: He wants more jobs and higher income. He believes that we need to do that through deficit reduction and incentives to make this economy grow again. That is what we are talking about here. He is going to accomplish it for the first time in a long time with honest-to-goodness deficit reduction, not the smoke and mirrors we have seen for the last 12 years, but using the most conservative numbers we have to come up with a plan that will work and restore the people's confidence in Government again.

That is what we are talking about here: restoring confidence; asking people who have benefited the most over the last 10 years to contribute the most; to ensure that this economy continues to grow; to ensure that we begin dealing with the deficit in an honest way; to ensure that we get the kinds of jobs we need so badly; to ensure that we get the kind of growth that takes us beyond the pallid 2 percent we have seen over the last year.

So if people want to criticize and lambast this plan prior to the time they have even seen the first word, I question their motives and, frankly, I question their judgment. I think it is important that we take a good look. The American people sent us here to do the job of making this Government work better. That is what we are talking about here. If we cannot support this plan, then I think it is imperative that they come forth with constructive

ideas on how to make it better, not throw it out categorically, not discard it entirely as just another plan that has no merit whatsoever.

Those who oppose it owe us the opportunity to evaluate their proposals that they believe will be an improvement over that which the President will announce tonight. But I sure hope that we will analyze it and will carefully look at all of its ramifications before criticizing it, prior to the time we have seen the first word. Constructively we should work together to ensure that we begin to address our Nation's economic and deficit problems in a forthright, constructive, and positive manner.

RURAL HEALTH AND MANAGED COMPETITION

Mr. DASCHLE. Mr. President, those of us in the Senate for some time have begun looking at the many different problems associated with health care in this country today. What strikes me most is when I look at the health care implications in rural America is "one in seven."

One out of every \$7 we spent in 1992 in rural America and across this land was spent on health care. According to the Commerce Department, the Nation's health bill was \$840 billion—that is 14 percent of our gross domestic product last year.

Although we have heard it several times in the past, that figure is both surprising and alarming, especially considering that many experts tell us that by 1995, we will spend \$1.1 trillion by 1995.

One in seven.

Perhaps even more alarming is that one out of every seven rural Americans today is uninsured. That is almost 9 million people in rural areas alone, who are completely without any kind of health insurance whatsoever.

Most people do not realize that the rate of uninsurance for rural Americans is significantly higher than that for urban residents.

Of the remaining 53 million rural Americans, most are either uninsured, or pay expensive premiums that sap their meager incomes.

A major question is just now emerging from all of this: How will rural America fare with the health care reform being considered this year?

Although there are honest differences, it seems we—the Congress, the White House, the experts, and the American public—are beginning to agree on general principles that ought to guide our health care reform efforts.

It also seems we are beginning to focus the debate on some sort of managed competition model as a framework for reform.

About a year ago, an influential policy journal characterized this debate as being in the "waiting room of reform."

I believe we have stepped out of the waiting room and into the operating room. But I am concerned, however, that we may be leaving rural America at the door. There are valid reasons for my concern.

Quite simply, rural Americans do not have access to appropriate, affordable, and quality health care today. We must understand that, and recognize it.

There are prevalent myths about rural America, from the romantic, bucolic life of the farmer on the prairie to the invigorating, seaborne life of the Maine lobsterman. But that is only half of the truth.

These are noble people, hardworking people, who are beset by major social and health problems—problems of poverty, poor nutrition, unsafe and deteriorating housing, inadequate water supply, lack of transportation, and limited medical resources.

These problems are not unique to rural America, but they are more prevalent, and they make the need for health care reform in rural areas even more critical.

Rural Americans—compared to the Nation as a whole—are disproportionately poor, experience much higher rates of chronic illness and disability and, frankly, they even age faster.

More and more, they are faced with the closure of hospitals and clinics, and an increasingly acute shortage of primary care providers.

Most are uninsured or underinsured, primarily because most workers are self employed and do not have employer paid or subsidized insurance programs available to them.

Insurance companies have continued to abandon community rating of insurance premiums in favor of a rating system based on individuals or employee group risk factors.

Many rural workers are considered high risk. The National Safety Council lists agriculturally related work as the most dangerous in the Nation. Farmers have the highest rate of hospitalization and the lowest rate of physician visits than any other occupation.

Because insurance companies refuse to use community rating, which would spread the risk, farmers, heavy machine operators, field hands, and foresters are either excluded from health insurance, or pay sky-high premiums.

As we develop a health reform plan, the unique characteristics of rural areas must be taken into account.

Paul Starr, a Pulitzer Prize-winning sociologist at Princeton, is one of the Nation's leading health policy experts and a major proponent of a national health care system using a managed competition mechanism.

Professor Starr has defined managed competition as an approach which harnesses market forces to make them work to the good of patients. In theory, managed competition encourages providers to form networks that compete

for patients on the basis of premiums and quality, rather than on the basis of who gets the healthiest patients.

In theory, it holds that the quality and economy of health care delivery will improve if private health care networks compete for consumers.

Unfortunately, in rural areas, the paucity of providers offers few opportunities for real competition. Therefore, there are several things we must keep in mind as we enter the "operating room."

First, any reform strategy must incorporate substantial incentives and system flexibility to allow States and communities to determine their own health care priorities and preferences.

Second, any health care reform strategy must recognize the extraordinary and imposing access problems that impede the delivery of health care in rural communities.

Third, any reform strategy must enable and require our education and training system to provide more primary care physicians in order to meet the needs in medically underserved areas.

I still believe that the principles and mechanisms in a managed competition model provide the most useful framework for reform strategy. The desirable features of a managed competition model need not be lost when it comes to rural health care.

Indeed, there are models for how managed competition can be reshaped to respond to rural needs. For example, the Jackson Hole Group—including founding father of managed competition, Alain Enthoven—is now in the process of developing a model for how managed competition can work in rural areas.

This group proposes that the National Health Board create rural authorities that would be responsible for using subsidies to entice health networks to rural areas.

Competition would be among smaller, primary care, facilities, which would either be branch offices of urban networks, or independent networks that contract with other providers for specialized care.

Some of the best minds in rural health care will be meeting in Little Rock to brainstorm ideas for how managed competition can work in rural areas. We should heed their conclusions.

CONCLUSION

The mechanisms that would make managed competition work in Boston could theoretically be modified to fit Redfield, SD, but it is going to take a heightened awareness of the diverse needs of different regions of the country.

Creating such a flexible, regionally sensitive, reform plan is an immense challenge, but a challenge we cannot fail to take up.

Under the leadership of our President and the very capable chair of his na-

tional task force, his wife Hillary Rodham Clinton, I am optimistic and enthusiastic about our prospects.

As nation I believe we are up to the task.

There is work to be done. Let us go to it. But, as we step out of the waiting room and into the operating room, let us not craft a one-size-fits-all solution to a multifaceted problem.

We need to ensure that rural America is not left in the emergency room.

I yield the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. DOLE. Mr. President, is the leader time reserved?

The PRESIDING OFFICER. You have 10 minutes.

Mr. DOLE. I thank the Chair.

PRESIDENT CLINTON'S STATE OF THE UNION MESSAGE

Mr. DOLE. Mr. President, the American people are going to be watching President Clinton tonight, and they are going to be looking for leadership, especially on the economy. They are going to be watching, as they always are, with skepticism, because they have heard speeches before by Presidents, Democrats and Republicans. They have heard discussions before by Democratic Presidents and Republican Presidents about dealing with the deficit.

I guess in this case if the stock market is any barometer dropping 83 points yesterday, it is rather disquieting and indicates there is a lot of selling to do if the President's package is as we have read about it in the newspapers or watched on television. Maybe not. Maybe it is not mostly taxes; maybe there are spending cuts.

In my office yesterday and this morning we have had 900 phone calls. The ratio is 17 to 1, 17 to 1 against what these people understand to be President Clinton's package. What generates someone in my State or someone—in fact we have heard from every State with the exception of Alaska as of last night. We may have heard from Alaska since then. What inspires or generates or causes someone to pick up the telephone and call this Senator or the Presiding Officer or the distinguished Senator from Minnesota or anybody else to express their views? It is this new telephone or fax or letter democracy that the American people are beginning to understand and beginning to participate in which I think is a great idea. They are beginning to feel in America,

the real America outside the Beltway, that if enough people call and register their objection or support for anything that someone may be listening. Maybe it will be the President of the United States. Maybe it will be someone in the Senate or someone in the House. Or maybe a lot of us will be listening.

So I think what the American people are saying when they called me yesterday maybe they are not ready to pass judgment. We should not pass judgment until we see every specific and every detail. But they are certainly registering their skepticism, and I believe that they are saying, in effect, that they want a balanced, common sense approach to deficit reduction.

And I have to believe there are enough of us in this Chamber on both sides of the aisle who are willing to be responsible and I believe enough of us have demonstrated that in the past when it comes to tough decisions there will always be some who will only want to criticize and have no plan of their own, but I believe there must be a majority somewhere if we have a balanced, commonsense approach to deficit reduction where you have the emphasis on spending restraint, spending cuts rather than new taxes.

I believe I can speak with some, not authority, but I think I understand that most people believe when you say tax the rich they are not going to believe that you are only going to be taxing the rich—and keep in mind that people making \$100,000 may be businessmen or businesswomen, may be partners, may be subchapter S corporations, may be sole proprietors, may be creating jobs, meeting a payroll, doing all the things that they should do—they may not consider themselves rich, and some of these people are going to get to pay a lot of new taxes if what we hear is correct.

In my view the American people are saying to us, to the Congress, to the executive branch, to every agency, "We want real spending cuts from you before you ask us to pay more taxes." Maybe we will see those tonight. I understand that maybe 150 different programs will be cut. I do not know. I do not know how many are going to be increased either. If we increase spending that means more money on the deficit.

One thing we all know around this place is it is not hard to deliver a tough speech on the deficit. The hard part is making the tough votes and putting it together so it is a well balanced, common sense approach to deficit reduction.

There is nothing fair about raising taxes on the middle class. In fact, I am not certain there is anything fair about raising taxes, period, unless you couple that with tough spending cuts.

So what maybe the people are talking about when they call in they say, well, here we go; more business as usual, with Government from Washing-

ton, from Congress, from the President, raising taxes, gutting, not cutting, defense, but gutting defense and not much else.

So we will wait with great expectation tonight as we hear President Clinton.

The President has made it rather clear he expects this to be a Democratic proposal. He must be expecting nothing but Democratic support. We have had no consultation with the President. We will meet with the President this afternoon with the leadership where he will tell us what is in the package. That is not consultation. Maybe that is the way it ought to be. It has probably been done in the past. I can recall in 1985 when I was the majority leader and we had a tough, tough deficit reduction package on this floor, I had one vote from the other side of the aisle, the late Senator Ed Zorinsky from the State of Nebraska, and his one vote made a difference, and we passed that package by a vote of 50 to 49. If anybody wants to check on whether or not we demonstrated willingness to take on the deficit, go back and take a look at that package and take a look at some of the spending restraints.

So my view is the debt has not gone down. It is still about \$4.4 trillion. The Bush recovery is well underway. Productivity is up 2.7 percent, the highest year in 20 years. The car sales are up the highest in 2 years. Growth in the last quarter is 3.8 percent. All these are things President Bush told us might happen.

And I would just conclude by saying this: I hope we do not get into the posture around here where President Clinton tonight is going to blame President Bush and President Reagan for all the Nation's problems without recounting that Democrats controlled the House all those 12 years and the Senate 6 out of those 12 years.

So if we are going to start pointing the finger of blame, then I think it is going to be a disaster from the start. If there is going to be an effort to construct a good, common sense, tough approach to the deficit, then the American people are better off for it whether they are Democrats, Republicans, or Independents. So if President Clinton tonight hopes to pin the tail on the Bush and Reagan administrations, that would not be the way to start in his first 30 days. Congress also has a role to play and Congress has been here for the most part controlled by his party. So if there are problems, he ought to point that out, too.

So I am one Republican who believes in deficit reduction. I stake my reputation on my votes for deficit reduction, and I am prepared to make additional tough votes. But before we do that, we need to make certain we know what is in the package and we need to make certain it is not going to be top-heavy.

I look forward then, with great interest, to hearing what the President has to say tonight. As Republicans—and I think I can speak for everyone on this side of the aisle—we want to be helpful. We think we can be helpful when it comes to spending cuts. We hope to put together a package of alternative spending cuts that might be used to reduce some of the increased taxes.

So we will be looking forward to working with Democrats in the Senate and the President of the United States. I reserve the remainder of my time.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

EXTENSION OF TIME FOR MORNING BUSINESS

Mr. WELLSTONE. Mr. President, I ask unanimous consent that morning business be extended for 10 minutes.

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

WAIT AND HEAR WHAT THE PRESIDENT HAS TO SAY

Mr. WELLSTONE. Mr. President, I was listening carefully to the words of the distinguished minority leader, and I thought maybe I would share my perspective about this very, very important address tonight.

We do not know all the specifics, so I think we should wait and hear what the President has to say in total.

Let me just start out by saying that the minority leader mentioned the reaction of Wall Street. I think that, as a Senator from Minnesota, I am more concerned about Main Street, Minnesota, and Main Street, United States, than I am about Wall Street.

There is an old Yiddish proverb that you cannot dance at two weddings at the same time. And I will follow the advice of the minority leader and I will not make this a partisan point, but I will point out that in the last 10 years—plus, we have seen an overall debt go from \$1 trillion to \$4 trillion and we have seen a deficit go from \$70 billion to \$350 billion.

And I think people in Minnesota, I think people in Massachusetts, I think people around the United States of America are saying to all of us, regardless of party background: You all cannot talk about reducing the deficit, and talk about investing in children and education, and talk about health care, and talk about job training, and talk about investment in the economy without talking honestly about where the resources are going to come from. That is dancing at two weddings at the same time.

I believe, as I understand what President Clinton is going to propose to our Nation, the most important feature perhaps is that we will finally—and I

think it is long overdue—have some fairness when it comes to who will pay the additional revenue. That is a welcome change from what we have been doing in this country.

It makes sense for higher income people and wealthier people to pay their proportionate share, their fair share, of taxes. That will be part of the sacrifice. All of us will be a part of it, but this time I think it will be based upon a principle of fairness.

And, quite frankly, I think the reaction of people in cafes in Minnesota about the President of the United States, President Clinton, will be something like this: "He has guts. He is treating us with intelligence. He is telling us we have to tackle the problems, and he is being honest about what we have to do."

Let me just make one other point. When I hear people talk about cuts, I think that is appropriate. But sometimes I worry, because part of the philosophy of Government that we have seen for all too many years of this decade of the 1980's-plus has been cut, cut, cut.

But it is interesting to me how some people can be so generous with the suffering of others. What are we going to do, cut more when it comes to children? We have abandoned all too many children already. Are we going to cut job training? Are we going to cut health care benefits? Are we going to cut the cleanup of the environment? Are we going to cut aid to urban communities? Are we going to cut aid to rural communities?

It strikes me, if we are going to have an evenhanded approach—and I believe that is what the President is proposing to our country—we are going to focus on the budget deficit, but we are also going to focus on the investment deficit and we are going to have some money up front to invest in our communities and our people and in job training and in job creation.

So I just want to say that I have a somewhat different perspective, as a Senator from Minnesota, than the one that the minority leader has presented. I am getting a somewhat different tally of phone calls. It is kind of interesting who calls what Senator, and I will admit there is self-selection, to be sure, and I think I need to point that out.

I quite frankly think that the people of the United States of America are going to say after tonight: This is going to be a difficult time. But this time, finally, we have a President who is treating us with intelligence, we have a President who has the courage to tell us what we have to do to tackle the problem, we have a President that has some standard of fairness when he calls for sacrifice by all of us, and we have a President that has his eye on the prize, which is jobs and investment in people in our own country.

Mr. President, I yield back my time.

COMMENDING JAY FIEDLER

Mr. MOYNIHAN. Mr. President, I rise today to recognize the outstanding achievements of New York's own Jay Fiedler. Jay is Dartmouth's record-breaking quarterback. He is a junior, an engineering major, and maintains a 3.15 grade point average.

In addition to rewriting the Dartmouth record books, this 6 foot 1 inch, 215 pound Oceanside, LI, resident was named "Third Team Division 1-AA All American" by the Associated Press. He was awarded the 1992 Bushnell Cup as the Ivy League's most valuable player. Jay led Dartmouth to a tie for the league championship, and the list goes on and on. Quite simply, he is one of the best quarterbacks the "Big Green" has ever seen.

Mr. President, I offer my most sincere congratulations to this special young man and wish him the best of luck in the future.

COMMENDING GEORGE F. SORN

Mr. MACK. Mr. President, I rise today to bring to the attention of my colleagues an outstanding individual who devoted his life's work to agriculture, both nationally and in Florida. Mr. George F. Sorn retired as executive vice president of the Florida Fruit & Vegetable Association on December 31, 1992, after 40 years of dedicated service to the industry.

His involvement with all aspects of Florida agriculture was the springboard that brought him national recognition as a leader and spokesperson for all of agriculture. During his career he has served on many Federal and State commissions and councils. In 1987, President Reagan appointed him to serve on the Commission on Agricultural Workers.

George graduated from Rutgers University with a BS degree in agriculture in 1950. He took time out of his college studies to serve 18 months with the U.S. Air Force in the late 1940's. Prior to his joining the Florida Fruit & Vegetable Association in 1953 as a field representative, he spent 2 years working with Seabrook Farms in Bridgeton, NJ, serving in various labor related supervisory capacities.

George was named manager of FFVA's Labor Division in 1967. This was the beginning of George's climb to the top at FFVA. On March 1, 1981, he was named assistant general manager, in addition to his continuing duties as manager of the labor division. In April of 1984, he was named secretary-treasurer, executive vice president and general manager.

In addition to his membership in many agricultural associations on both the State and Federal level, George found time to devote to humanitarian

and human rights issues in the agricultural industry. He has received many awards and honors throughout his career in recognition of these efforts.

The most recent award was presented at FFVA's 49th annual convention. He was presented FFVA's prestigious Distinguished Service Award. His major awards include "Life Member Award" for Optimist International (1971); "Certificate of Appreciation"—State of Florida Department of Labor and Employment Security (1983); "Award of Recognition" by the Employer's National Job Service Committee (1984); "Award of Appreciation" by the Redlands Christian Migrant Association (1985); "Award of Merit for Distinguished Service to Agriculture" by the Gamma Sigma Honorary Society of Agriculture (1986); "Certificate of Appreciation" by Florida Governor's Advisory Council on Farmworker Affairs (1986); "State Friend of Extension Award" by the Alpha Delta Chapter of Epsilon Sigma Phi—Honorary Agricultural Extension Service Fraternity (1987); "Chairman's Roundtable"—Distinguished Honor Roll of United Fresh Fruit and Vegetable Association (1990); "Award of Merit for Distinguished Service to the Food and Agricultural Industry of Florida" by the University of Florida's Institute of Food and Agricultural Sciences (1992); and most recently he was awarded the "Bert Roper Humanitarian of the Year Award" by the Orange County Public School Migrant Program.

George was responsible for developing agricultural labor seminars over 20 years ago that continue to address the major concerns facing the industry today.

Since becoming general manager in 1984, George Sorn added two new divisions at Florida Fruit and Vegetable Association to respond to the changing demands of the industry. The first division was environmental and pest management, which marked a first for any organization in the fruit and vegetable industry to establish a unit to deal with these important issues on a full-scale basis. A communications and education division was created 3 years ago to meet the ever increasing needs, to be more responsive to the media. George felt it was imperative that the organization spend full time telling the public, media and legislators about the importance of Florida agriculture and all the good things they do in providing safe, healthy food to the American consumer.

Mr. President, I know my colleagues here in the Senate join me in recognizing the many years of dedicated, selfless service George Sorn has provided to the agricultural community and the American public. His work has had a significant impact on the agricultural community, and I am proud to commend George for his years of service.

"THE TIMES ARE A CHANGIN"

Mr. DECONCINI. Mr. President, I respectfully request that the enclosed article be printed in the CONGRESSIONAL RECORD. "The Times Are a Changin'" was written by one of my constituents, Robert T. Paca, and I want to share his views about the pardons granted by President with my colleagues.

I ask unanimous consent that "The Times Are a Changin'" be printed at this point in the RECORD.

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

"THE TIMES ARE A CHANGIN"

At the birth of our country my "many greats" grandfather, William Paca, along with others, signed his name below John Hancock on the Declaration of Independence. In those days men pledged their sacred honor. It had genuine meaning and guaranteed the public they served—honesty and integrity.

Today, more than 200 years later politicians and lawyers are evolving a new and disgusting philosophy relative to the character of those whom we elect to manage the affairs of our country. We have traveled down the road from sacred honor to today's "Don't not do it, just don't get caught.", a sad milepost in the total collapse of what is honorable, right and fair. The newest position taken by our president is "Go ahead and do it. It's OK.", "If you get caught I will pardon you!" What kind of a message is that to send to our youth of all ages? How can we expect coming generations to hold high the Torch of Honor for the world to see, when such a revolting example is provided for them by the highest level of our government.

I recommended that, along with his pardon of those convicted, Mr. Bush include his personal check to reimburse the American Taxpayer in full for all legal expenses, investigations and trials that resulted in the conviction of those he has pardoned. If his actions bespeak his implementation of "family values", Heaven help us.

ROBERT TILGHMAN PACA.

A DISAPPOINTING ECONOMIC PLAN

Mr. NICKLES. Mr. President, I, for one, have been very disappointed in President Clinton's announced economic plan. His speech on Monday night, as well as recent press statements, show me that he has broken faith with the American people as far as the promises and statements that were made throughout last year's campaign.

We heard throughout the campaign that his tax increases were only going to affect the very wealthy; or people who make over \$200,000. We heard that repeatedly. According to headlines the last couple of days, now people will be taxes if they make over \$30,000; \$30,000 is not the same thing as \$200,000, a figure which we heard time and time again.

The President said, "We are only going to sock it to the fat cats. We are only going to sock it to the wealthy." Yet we find out from the President's press spokesperson yesterday that peo-

ple who make over \$30,000 a year will be asked to "contribute." That is the new code word for increasing taxes, be it energy taxes, or Social Security taxes.

My father-in-law is living on Social Security and other retirement income. He found out he is going to have a big tax increase. He said, "I did not hear that during the campaign." He did not know that he was rich. He thought President Clinton was talking about someone else.

During the campaign President Clinton said we are going to put a 10-percent tax surcharge on millionaires. Now we find out the definition of millionaires has changed to people who make over \$250,000.

What really bothers me is his philosophy—that philosophy that by increasing taxes we are going to help the economy. I want to contribute to help make the economy better, to help this economy grow, to employ more people. But I do not think raising taxes is going to help the economy.

We raised taxes in 1990. Did it help the economy? Not in my opinion. I did not vote for that package because I thought it would hurt the economy, and it did. It helped put people out of work.

We need to do some things to get the deficit under control. Some people seem to think the solution is more taxes. I for one believe we need to cut spending.

I heard my friend and colleague Senator WELLSTONE from Minnesota say, we need people to quit talking out of both sides of their mouths. We are spending \$6,000 for every man, woman, and child in the United States. Surely that is enough. Surely we should be trying to reduce the deficit by cutting spending, not by increasing taxes.

I am concerned about the thrust of President Clinton's plan, an almost total elimination of real deficit reduction. When you hear President Clinton's remarks tonight, he is going to talk about tax increases. He is going to talk about some spending cuts. But he is also going to talk about a lot of spending increases. Those spending increases will grow substantially in the future and create a lot of pressure for more spending and increased deficits in the future. That situation bothers me probably most of all.

I am bothered by the fact that our President was making campaign promises not to raise taxes on the middle class, and then asking the middle class to accept a big tax increase. They are going to be taxing retirees on their Social Security; they are going to define millionaires as anybody who makes over \$250,000; they are going to say that the so-called wealthy or fat cats now are anybody who makes over \$30,000. I am concerned because we are asking them to pay more taxes for deficit reduction when in reality it is for more spending.

I will predict that in tonight's address we will hear the President talk about increased spending. In other words, he wants to increase taxes to increase spending.

I also want to comment about this movement away from the President's campaign promise or pledge to cut the deficit in half. The deficit in 1992 was \$290 billion. One-half of that would be \$145 billion. Now we heard the President on Monday night say that the deficit is growing—oh, my, now it is going to be \$400 billion.

Frankly, the forecast that CBO gives for 1996 is \$287 billion. The deficit is projected under most scenarios to be fairly constant in about the \$300 billion range. So the deficit is not changing that much from what it was last year. It is fairly constant. The President now wants to take the worst scenario and say the deficit is going to be even higher.

But as the Republican leader, the Senator from Kansas, mentioned, there is a lot of good news on the economic cycle. Until the President's speech on Monday night there were a lot of things moving up. Gross domestic product last quarter grew 3.8 percent; the quarter before that, 3.6 percent—moving up. We have had some good economic news. Interest rates are low, inflation is low, and GDP growth in the United States is much higher than any of our competitors. There are some good things happening.

We want to create an environment for jobs and job growth. I believe massive new taxes, massive new mandates, massive new regulations will not help the economy. They will put people out of work, and we cannot afford to do that.

Finally, I have been disappointed in the fact that this administration, for whatever reason, has decided to totally ignore the Republicans in this body and the House in formulating this package. That is their choice. They have been consulting with multitudes of Democrats, and that too is certainly their prerogative. They have decided to make this a very partisan package, which is clear both from the President's statement on Monday night and also from his lack of consultation with Republicans in formulating the package. I regret that. I think the President would have been far wiser had he decided to work with a bipartisan group in Congress, both in the House and the Senate, to formulate a very positive package for real deficit reduction, one that would have real spending cuts instead of massive tax increases which will do more damage than good.

A BROKEN PROMISE

Mr. MACK. Mr. President, Bill Clinton has broken his promise to the American people. His economic plan is one of more taxes, more spending, and

more government. This is not what Americans voted for.

President Clinton was elected on his core commitment to help the economy, and he will be judged by his ability to keep the campaign promises he made to the American people.

The President promised a bold experiment, but proposes the same old tired rhetoric of more taxes and more spending. Although he used a Reagan approach, he delivered a Carter message.

The President must realize if economic growth is to continue, talk of higher taxes must stop.

Higher taxes have never helped the economy, and never will. Higher taxes have never produced jobs, and never will.

I listened to Treasury Secretary Lloyd Bentsen defend President Clinton's plan on a TV talk show this morning. What I heard from the Treasury Secretary was not a plan to grow the economy, but a plan to change the way Americans behave.

The Clinton plan should be focused on giving Americans the opportunities to make their own choices to improve their lives. The President is, unfortunately more interested in telling people how to live their lives. The Clinton plan would tax energy, because we drive too much. The Clinton plan would raise income taxes, because some people made too much. What a message about achieving and success.

In 1990, talk of taxing the wealthy led to the luxury tax on boats which cost hundreds of jobs in Florida's boatbuilding industry, and thousands nationwide. When the luxury tax was passed, middle-class workers lost their jobs.

In fact, we refer to the luxury tax in the State of Florida as the layoff tax. It is a lesson we must not repeat.

The President is wrong on three counts. First, a tax increase on the middle class, the elderly, the wealthy, and energy users is not the path to job growth and economic revitalization. It is the road to economic stagnation.

Second, the President is wrong to equate patriotism with his demand that Americans sacrifice more of their income to taxes. Patriotism has nothing to do with agreeing to an economic program which will result in more taxes, more spending, lower levels of growth, more unemployment, and higher deficits.

Third, the President is wrong to want to change the way we live our lives just to meet the goals of a politically correct agenda. Americans want more freedom, not less. They want more opportunities, not less.

Republicans are eager to work with the President to help the economy move forward without raising taxes. The President's plan violates a cornerstone of his campaign—raising taxes on the middle class. Moreover, there is nothing new about his economic ap-

proach. It has been tried before, and failed miserably.

PRESIDENTIAL PARDONS WERE WRONG

Mr. DORGAN. Mr. President, I rise today to reflect on the pardons President Bush issued last December on behalf of six individuals involved in the Iran-Contra affair.

These Presidential pardons point to an inherent double standard. They send a message that it is alright for some people to break the law. Well, it is not alright, and no President should condone it.

I am especially angered by the pardons Mr. Bush granted to a number of CIA officials. If an administration can use the CIA to pursue policies that violate the law, and then grant these operatives Presidential pardons, a dangerous precedent is set. Because of its role in national security, Congress already gives broad discretion of CIA operations.

The irresponsible act of granting these pardons has allowed some officials of this executive agency to act with absolute judicial immunity as well. The pardon of these officials casts a historical and indelible shadow on what Mr. Bush considered to be his greatest accomplishment, his administration's foreign policy.

I am also concerned about pardons being issued by a lameduck President. There is no accountability when a lameduck President uses his power to pardon in this manner. Instead of being used as an act of mercy—the constitutional reasoning behind the power to pardon—these pardons were used to obviate the truth, and have implied to many a confession of guilt.

IRRESPONSIBLE CONGRESS? HERE IS TODAY'S BOXSCORE

Mr. HELMS. Mr. President, the Federal debt—run up by the U.S. Congress—stood at \$4,175,915,249,528.46 as of the close of business on Friday, February 12.

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

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

On a per capita basis, every man, woman, and child owes \$16,257.62—thanks to the big-spenders in Congress for the past half century. Paying the interest on this massive debt, averages out to be \$1,127.85 per year for each man, woman, and child in America. Or, looking at it another way, for each family of four, the tab—to pay the interest alone—comes to \$4,511.40 per year.

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

A GREAT CELTIC RETIRES

Mr. KERRY. Mr. President, on February 4 over 15,000 friends, family, and fans gathered at Larry Bird's No. 33 was raised to the rafters at historic Boston Garden. The retirement of Larry Bird is yet another landmark in the history of the Boston Celtics, arguably the greatest franchise in the history of the National Basketball Association.

Whether you were thrilled about Bill Russell's dominance on the court during his 13 seasons as the game's greatest center or glued to the radio for announcer Johnny Most's infamous call of "Havlicek stole the ball," Celtic pride and tradition are a high point in the world of sports. No one has more eloquently described this than Larry Bird himself, on April 18, 1992:

Everybody else says they're proud to play for all those teams and make a lot of money and everything, but if you don't play for the Celtics you never played professional basketball. This is what basketball is all about. This is what every player in the world—whether they like it or not—this is what you strive for—to be part of a family, part of a team. The only way you can get that is to play for the Celtics—not for a year, not for two years, but for a whole career. Very few players have been able to do that and I'm very fortunate.

Indeed, the Celtics have a unique place in the history of sport. The team is one of only two charter teams in the NBA that have remained in their original city; my friend Senator BRADLEY can speak of the other. The Celtics are also the winningest team, with 16 World Championships—eight in succession from 1959–1966—and, of course, are the only team with Red Auerbach, the Celtics president and winningest coach in NBA chronicles.

While the Celtics continue to excel with future hall of famers Kevin McHale and Robert Parish, today's Celtics are clearly a team in transition—not on the fast break, but rather with a new generation of Celtics heroes like team captain Reggie Lewis and slam-dunk champ Dee Brown.

There has always been a special relationship between the Celtics and their fans. Through thick and thin, those who cheer for the green have sold out

every game since the 1981–82 season. And the players' sentiments toward the fans is perhaps best expressed in Larry Bird's retirement night statement:

I'm going to miss running the pick-and-roll with Robert Parish. Yes, I'm going to miss throwing the ball down low to Kevin McHale and watching him go to work. I'll miss those back-door passes from Dennis Johnson. Most of all, believe it or not, I'll miss the fans.

Yes; Larry Bird has retired—much earlier than he or the fans would have liked. But future generations of fathers and sons and mothers and daughters will still root for their Celtics and someday again will look up at another championship banner hanging high from the rafters of Boston Garden.

TRIBUTE TO BOB DUNN

Mr. DURENBERGER. Mr. President, I rise today to pay tribute to Bob Dunn, a longtime friend of Minnesota—and a long-time friend of mine.

Bob served in the Minnesota House of Representatives for 8 years and in the Minnesota Senate for 8 years. These years of service came at the same time that I began my career in public service as chief of staff to Gov. Harold Levander. Bob taught me that when one is in the arena of public service, it is best to do what is right, rather than add political points to your column. It is a lesson well-learned by everyone who gives their lives to serving others.

There is another gift that Bob has given those in public service. He has a remarkable ability and wisdom to work with every Minnesota interest to develop important relationships that have all of us working together to focus on a cleaner and healthier environment.

It is through his work on behalf of Minnesotans and our environment that Bob is best known, especially through his leadership of the Environmental Quality Board.

Charles Lindbergh Jr., another Minnesotan concerned about conservation and environment, once asked if civilization was progress. Lindbergh answered his own question:

The final answer will be given not by our amassing of knowledge, or by the discoveries of our science, or by the speed of our aircraft, but by the effect of our civilized activities as a whole have upon the quality of our planet's life—the life of plants and animals as well as that of humankind.

Bob Dunn's efforts and his leadership, in behalf of humankind in our relationship to the environment have raised our level of civilization. I gratefully acknowledge the gifts that Bob has given to each of us.

DEVELOPING A COMPREHENSIVE ECONOMIC PLAN

Mr. BIDEN. Mr. President, beginning with the State of the Union Address this evening, the task of developing a

comprehensive economic plan will pass to Congress. The challenge we face is to undo the mistakes of the last decade and to meet the demands of the next century. As we confront that challenge, we must remember that to promote economic growth in the future we need more jobs now.

That economic reform plan will confront the unique task of restoring growth in the face of fundamental changes in the way our economy operates. In the words of Federal Reserve Chairman Greenspan, this recovery is fighting headwinds which no other expansion in our post-war experience has faced.

These headwinds, Mr. President, are also the winds of historic change. In fact, in other circumstances, many of the factors that have contributed to this situation should be welcome. But unless we act to take advantage of these trends, their potential benefits for the future may be lost.

For example, new, more intense global competition is driving the restructuring of many of our country's largest corporations. In many industries, dramatic improvements in productivity mean demand can be met with only a fraction of the work force needed a decade ago. We now know that 1992 saw the healthiest productivity growth in two decades. This is good news for the future of our economy.

We also welcome the changes in international relations that permit less defense spending than the cold war required. The talents and resources we dedicated to winning that war are now available for peaceful endeavors.

But these and other historic developments also mean that millions of jobs in the core industries of our economy are now gone. Major corporations continue to lay off workers. Just 3 weeks ago, four of our largest employers announced plans to lay off more than 100,000 workers. They will not return to those jobs, even if our economy expands.

Like every other American, I welcome recent economic reports of increasing sales and output. And like every other American, I want to be optimistic about our economic future. But the fact of the matter, Mr. President, is that right now our economy is not capable of creating the jobs we need to sustain recovery in the face of these historic changes.

We remain far behind other recoveries, in both job creation and economic growth. Today, our national output is only 1.6 percent above its peak before the 1990 recession; at this point in other recoveries, output had grown 5.8 percent.

Job creation, too, is a fraction of other recoveries. Job creation so far is only one-tenth of the average post-war recovery. More than a year after the beginning of recovery, unemployment is still higher than it was at the bottom of the recession.

The current consensus forecast for this year is for growth of just over 3 percent for 1993, too weak to bring unemployment below 7 percent this year, or below 6.5 percent in 1994.

Slow economic growth and unemployment add to our deficit, reducing the tax base and increasing social support spending. Every 1 percent of unemployment adds \$50 billion to our deficit.

In these circumstances, I am encouraged by President Clinton's commitment to boost job creation and economic growth now as part of a long-term plan for economic renewal.

At the same time, Mr. President, I am discouraged that we continue to hear arguments against economic stimulus. We hear that the recent slowdown and layoffs represent the inevitable costs of economic change. We should do nothing to interfere with this process, according to this argument—the survival of the fittest will guarantee that our economy will be better off in the long run.

We are also told that despite persistent unemployment, there is nothing constructive we can do to boost job creation and growth. Economic stimulus will only make the deficit worse, say these critics, and besides, a government program to help the economy is bound to be inefficient.

We must not be paralyzed by a false choice between current growth and the need to bring our deficit under control. Until we return to a level of growth that can put a real dent in unemployment, attempts to restore fiscal balance by tightening our budget alone will be impossible to legislate and cannot succeed.

And if we simply wait for growth to return on its own, in the face of the headwinds we now face, we will leave idle human talents and industrial capacity, leaving a smaller base to grow from in the future. Currently, 2½ million workers are unemployed, and we are using less than 80 percent of our industrial capacity. Under these conditions, there is room for expanding economic activity without the threat of increasing inflation and interest rates that could harm future growth.

This is particularly true if a stimulus plan includes a focus on rehabilitating our neglected public infrastructure, because unemployment problems in the construction industry are particularly severe, and improved public facilities offer real long-term economic benefits.

But not just any public works program will do. To be an effective part of an economic plan that restores healthy economic growth now and is compatible with deficit control, an infrastructure investment program must be carefully designed.

Among the features that I believe such a program should have, Mr. President, I will mention only a few. It should target projects that have al-

ready been identified as economically beneficial by States and local governments, not just elicited by the prospects of Federal funding. A quick turnaround in the approval of grants will direct resources to those projects that have already benefited from extensive local review and development.

An effective program will also ensure that funds are shared among the States on the basis of the history and severity of their unemployment problems. We know that current economic distress is unevenly distributed throughout the country, and a Federal program to respond to that distress must focus its resources where they are needed most.

Such a program will also assure that rural America, and the smaller political jurisdictions that have borne their share of the local fiscal stress in recent years, will be cared for with provisions that get funds down to their level.

While matching funds may add an additional consideration to hard-pressed local governments, I am convinced that the commitment of local funds will assure that projects they choose to undertake are real priorities.

Finally, such a program should sunset a year after passage, or sooner if we see an unexpected improvement in the employment picture. This will provide the incentive for States and localities to undertake needed projects soon, assuring the speediest possible boost to the economy, while we can be confident that the need will still exist.

I look forward to the President's economic recovery package. I expect that it will include incentives for additional private capital investment, programs to upgrade the skills—and the incomes—of American workers, and a credible plan to restore balance to the Federal budget. A carefully drawn, focused program of job creation through infrastructure investment will be an important component of such a comprehensive plan.

THE PASSING OF PFC DOMINGO ARROYO, JR., OF ELIZABETH, NJ

Mr. BRADLEY. Mr. President, on January 20, 1993, Pfc. Domingo Arroyo, Jr., of Elizabeth, NJ, became the first United States soldier to be killed in the Somalian relief effort. Private Arroyo, who expected to be discharged shortly from the Marines after 4 years of active duty that included Operation Desert Storm, was part of a patrol that was ambushed by Somali gunmen.

Domingo was born in Puerto Rico. Living in New Jersey most of his life, he came from a close-knit family and was liked and respected by his teachers, friends, and neighbors. The reasons he gave for joining the Marines were moral and selfless. He wanted to help others, he wanted a college education in order to better himself, and he wanted to provide his mother with more desirable living conditions.

A true American, Domingo gave his life in another country, protecting its destitute, defenseless people. In his dedication to his country, to his family, and to his high ideals, he represents the best of our Nation's youth. I mourn his loss. Domingo will be remembered as a hero and honored for his selfless bravery.

At this very sad time, Mr. President, I ask my colleagues to join me in expressing our deepest sympathy to the family of Domingo Arroyo, Jr.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

NATIONAL INSTITUTES OF HEALTH REVITALIZATION ACT OF 1993

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the National Institutes of Health Revitalization Act of 1993, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1) to amend the Public Health Service Act to revise and extend the programs of the National Institutes of Health, and for other purposes.

The Senate resumed consideration of the bill.

Mr. KENNEDY. Mr. President, just for the benefit of Members, over the period of yesterday and even through the earlier part of today, we have been working with Senator KASSEBAUM, a number of our colleagues, to resolve issues with the NIH bill, and we continue to make progress. We are discussing various amendments to the bill.

We have been urging, as has the majority leader, that those Members who do have amendments come forward. The leader has given notice that this legislation was going to come up. He indicated that at the end of last year and the early part of this year, so we have been on notice. S. 1 was unanimously reported out of committee. We did have a unanimous vote—the Republicans and Democrats alike supported this legislation.

Senator KASSEBAUM and I have outlined the provisions of this bill in detail. We will be glad to try and work out any measures that are of concern or interest to the membership.

There will be matters which will be further discussed by Senator DOLE and Senator MITCHELL which are in the process now of negotiations. There will be an amendment from the Senator from Alabama dealing with university research and foreign corporations. I look forward to the debate on that amendment.

So if there are Members who have amendments, we welcome them. They have not at this time shared them with

the floor managers. They are within their rights to offer them at any time while the measure is before the Senate. Obviously, we can have an informed and intelligent debate and discussion if the amendments are distributed as soon as possible.

So, again, at the urging of the leader, we want to be able to address this issue and dispose of it. We have debated it extensively in the past, and we are prepared to do so at this time.

Mr. President, while I have a few moments, I thought I would just outline some of the very important provisions that have been included in the legislation which the Members, hopefully, are aware of. Obviously, I will yield for any of the Members if they do have amendments, and we can get back to the general discussion.

One of the very important areas that has been included in this legislation deals with pediatric cardiovascular disease.

As I mentioned, pediatric cardiovascular diseases are one of the very important and significant health challenges to infants and small children. It is a cause of significant morbidity and mortality in the United States. And congenital heart disease, the most common type of birth defect, affects 8 out of every 1,000 newborns.

Acquired heart disorders such as rheumatic heart disease accounted for over 50,000 hospital admissions in 1990.

The bill recognizes that multidisciplinary research centers offer the potential for advancing our knowledge in biochemistry, molecular biology, genetics, and bioengineering as they pertain to pediatric cardiovascular diseases.

The bill supports the establishment of pediatric research centers to meet the health and research needs of children.

During the past few years, there have been unprecedented advances in the scientific investigation of inherited and acquired diseases affecting children.

The application of the research to disorders such as cystic fibrosis, sickle cell anemia, juvenile diabetes, and mental retardation can result in improved treatment and care for the Nation's children.

There is, in the field of pediatrics, a great unmet need for researchers who are able to apply their basic research skills to clinical problems.

In 1990, the National Institutes of Child Health and Human Development sought to address the issue by increasing the number of pediatric medical centers that could transfer research findings to pressing pediatric problems and encourage the development of physician-scientists in pediatric medicine.

I think all of us are mindful of the excellence of NIH. Part of the challenge to all of us is how you are going to get the treatment into the medical

centers, particularly the great medical centers around this country that are dealing with childhood diseases. This is really an effort to take the scientific knowledge gained from basic science research and rapidly transfer that knowledge to patient care. The National Institute of Child Health and Human Development should be commended for initiating this program. Our goal is to strengthen and expand this program.

This bill authorizes the child health research centers program designed to speed the application of findings from the basic science to direct patient care.

Each of the centers concentrates on a specific scientific area. Established investigators from a variety of scientific backgrounds would combine their efforts to establish a pediatric center of excellence.

Senior scientists would serve as mentors for newly trained pediatricians just embarking on their research careers.

What we are trying to do is take these newly trained pediatricians from these medical centers and bring them into the areas of scientific research, since we do have a shortage of physician researchers in pediatric diseases.

Each center would have the flexibility to select which new projects and which junior investigators to support, providing the opportunity for highly individualized programs.

This has been very, very well received in the various medical centers that are focusing on infant cardiovascular diseases, and we do believe that with the kinds of investments we are placing here we are really expanding both the knowledge and the treatment and service to infants.

Another very important children's initiative is in the vaccine area. I think all of us were very supportive of the President's commitment, announcement last week of some \$300 million that will be put into the budget to ensure that every child is immunized. We must remove all the barriers that impede the efforts of working families to get their children immunized.

The development of registries is enormously important to immunization programs. We were doing pretty well in developing registries in the 1970's until the early period of the 1980's when support for those programs was cut back.

The importance of the registries is to ensure that children who receive the early shots for these vaccine preventable diseases complete their immunization schedule. The registries provide immunization information to the parents, followup notices for the next series of shots, and they keep track of the children if they move.

I know our colleagues, Senator BUMPERS, Senator RIEGLE, and a number of our colleagues on the other side of the aisle are very much interested in

childhood immunization. We will have a chance to address this issue later in the session.

But one of the important initiatives in this legislation is the development of a children's vaccine initiative. In 1990, the World Health Organization and UNICEF launched the children's vaccine initiative to bring together scientists, industry, government, and private donor groups to develop new and effective vaccines that can be easily administered.

There are many potential benefits to developing combination vaccines that can protect children against many illnesses with one shot.

CDC reported that only 10 to 40 percent of 2-year-old children were up to date with their required immunizations, while 90 percent had received at least one shot in their first year.

So, obviously, if you are able to bring the combination of these various protections into one shot and that can be an ongoing and continuing positive impact on that child, on the issue of immunization, you make very substantial progress.

Combination vaccines could radically improve the number of children fully protected. There is a need for vaccines which do not require refrigeration and have a long shelf life.

I listened yesterday to my colleague and friend, Senator KASSEBAUM, talk about research in tropical diseases. If the United States could develop the technology for a one-shot vaccine that would not need refrigeration, what we could do around the world in terms of children and preserving children's lives is unbelievable. Every year, we have about 15 million children die under the age of 3, both from lack of immunization and also because of water. But what we could do in terms of children and the impact that could be made on them would be truly extraordinary.

Most of the scientists and researchers believe that if we provide resources to be able to do it, we are able to do it; the kinds of problems that they are looking at in terms of this area are not so complex and difficult as to not to be able to achieve it. But the fact is, since we have refrigeration available and accessible in the United States, the sense of urgency we have had in terms of trying to pursue that research has basically not been there.

But, nonetheless, what we are interested in is the development of children's vaccine initiative.

This bill authorizes the Secretary to develop the affordable and improved vaccines to be used in the United States and developing countries to protect children from vaccine-preventable infectious diseases. This is enormously important.

We take a certain pride in my own State of Massachusetts, which is one of two States that actually manufactures its own vaccine. It goes back to the

1930's where the decision and judgment in terms of the public was sufficiently demanding in terms of the various children's diseases that the State of Massachusetts developed its own program, not for the complete list of vaccines, but for the majority of them. We are perhaps one of the highest States in the country in terms of the coverage of children.

I think, quite frankly, that sense of urgency in coverage is still very much in the country, and we are hopeful that the research on the single vaccine will result in a positive outcome.

Finally, with regard to children, but not all-inclusive, one of the most insidious diseases which affect children is juvenile arthritis. There are 250,000 children in the United States that have some form of arthritis. I think most of us who have been blessed with healthy children cringe at the thought of not seeing them be able to do the kinds of things that every youngster would hope to be able to do in enjoying a young and active life. The kind of agony that these children experience in the very early time of their lives with all of the implications which that has in terms of their own kind of development at a key time of their lives is obviously enormously painful and disturbing to those children as well as to the parents, but also obviously denies them the kind of opportunity for activity that I think all of us would hope for children, for our own children, and for children all over the world.

There are 250,000 children who have some form of arthritis. As we know, arthritis can strike at any age and can last a lifetime. As with adults, the juvenile arthritis can affect the most simple tasks of walking or tying shoes. The disease can affect the joints, the heart, the liver, and even the eyes, and there is no cure. There is no cure. Despite the fact that juvenile arthritis is a chronic debilitating disease, the NIH supports very little research in this area.

This bill establishes a multipurpose arthritis research center to expand research in the cause, early detection, diagnosis, prevention, treatment of, and rehabilitation of children with arthritis.

We are mindful that we cannot take just limited dollars and expect, as a result of targeting, an ultimate result. We know there is a certain basic amount of research that has to take place. I think we all can make very strong cases for that. For the most part, many of the breakthroughs that have come in terms of dealing with diseases have come either in basic research or research that is not necessarily targeted.

What we have tried to do with the NIH is to encourage both the basic research and also to take advantage of research that offers some hope or opportunity for breakthrough in some of

these very special areas. We have tried to raise that kind of a visibility in the area of juvenile arthritis.

Mr. President, there are several other areas that I will go into briefly about what this legislation does. But I think it is important to understand that, when it comes to questions involving children and children's diseases, we have tried to give emphasis to their particular needs. I think we are mindful that perhaps they have not been given both the focus and attention that I think all of us would have liked. We want to try to give further encouragement to those initiatives that offer some very special further advantages.

At this time, 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. 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 to proceed as if in morning business for 5 minutes.

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

THE PRESIDENT'S ECONOMIC PLAN

Mr. CRAIG. Mr. President, I believe that I and all of my colleagues here in the Senate await this evening and the State of the Union and our President's economic message with certain hope that we will hear a message that will start a course of economic direction for this Government of ours and for us in the coming days that can result in economic growth for our country.

But I am greatly concerned that our President is proposing a large package of new taxes with relatively limited or no emphasis on spending reduction. There is no doubt in my mind, as I am sure there is no doubt in our new President's mind, that the deficit of this country and the inability of this Congress to curb its spending habits clearly remains a No. 1 problem for our Nation.

That seemed to be the theme of the campaign that concluded in the election of President Bill Clinton. But somehow since the campaign through to this evening that message has been progressively blurred in an effort to get to what appears now to be an approach of taxing and spending in what we might call an old style approach toward resolving our economic problems.

I have in front of me an article in the Wall Street Journal today by James Miller, once Director of OMB, now a fellow at George Mason University. I ask unanimous consent that that article be printed in the RECORD.

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

SHAM CUTS ON SPENDING . . .
(By James C. Miller III)

Tonight President Clinton unveils more about his plan to stimulate the economy and reduce the deficit. Judging from the details leaked thus far, the market's 83-point drop yesterday, and Mr. Clinton's address from the Oval Office on Monday, it will be a hard sell—not only because of the tax "contribution" but because there is so little discipline on the spending side of the budget.

First, a word about the budget newspeak in Washington that masquerades as truth. When the Beltway crowd talks about cutting spending, they can't mean spending less next year than will be spent this year. They mean spending less than would have been spent if the budget were left on automatic pilot. The Office of Management and Budget, or OMB, estimates that spending will rise \$48 billion from (fiscal year) 1993 to 1994; the Congressional Budget Office, or CBO, estimates \$54 billion. The same holds true for the tax side. OMB estimates that the tax code, left alone, will produce \$82 billion more in 1994 than in 1993; CBO estimates \$72 billion.

With this baseline as his starting point, Mr. Clinton recommends a \$31 billion increase in spending for 1993, of which \$16 billion will be for job creation, with the rest for public infrastructure, new technologies, immunizations for children, and grants to cities and towns. He also recommends certain spending "reductions"; an additional \$8 billion from defense plus unspecified savings from trimming administrative costs, reducing the federal work force by 100,000 positions, and from other sources—reductions that Mr. Clinton characterizes as "real, defensible, and measurable, not imaginary."

NO SPENDING DISCIPLINE

Just how much spending is to be cut is a matter of intense speculation. It appears, however, that the amount will fall considerably short of the previously stated goal of \$2 in spending cuts for every \$1 in tax increases—a formula that Texas Rep. Charles Stenholm, leader of the 50-member Conservative Democratic Forum, says is essential if the plan is to pass muster in the House. Even the lower ratio might be tolerable, provided there was spending discipline. Unfortunately, there is little reason for confidence on this score.

Some of the president's claimed "savings" are not really savings at all. An example is the plan to increase Medicare premiums for the wealthy. Although by convention these revenues show up in the budget as "negative outlays" and serve to reduce the measured cost of the Medicare program, in reality the president's plan amounts to a revenue increase and does nothing to reduce the size of government. The same is true of his approach to Social Security. Increasing the tax to 85% from 50% on that portion of Social Security above \$25,000 per year for a single adult and \$32,000 for a married couple constitutes a straightforward tax increase, having no effect on Social Security outlays.

Moreover, to keep the fiscal aggregates down, the Clinton administration is looking increasingly to regulation to accomplish its policy objectives. To restrain the costs of immunizations, the president beats up on vaccine manufacturers, characterizing their profits as "unconscionable" and directing his health secretary to negotiate with them to ensure that their prices are "reasonable." To rein in the cost of Medicare, the president wants to apply price controls to doctors, hospitals and insurance companies. Of course, the real costs of government programs are

changed not one iota by such measures. The only thing that changes is who foots the bill.

And where will it stop? Will we next hear that Mr. Clinton wants to force pension funds to invest in public infrastructure? The open endedness of such opportunities to shift costs off-budget makes it imperative that Congress institute a regulatory budget.

What about the spending behavior of Congress? There is abundant, though controversial, evidence that whenever there is an increase in government revenue Congress simply spends the money. Thus, no matter what the rhetoric, the chances are that all the revenue increases from Mr. Clinton's assortment of new taxes will be translated into spending increases, not deficit reductions.

The strategy that is developing—that of negotiating a "mega-deal" with Congress—all but ensures that spending will grow by more than the increase in revenues. Bear in mind that both OMB and CBO project that the baseline deficit will fall in 1994. OMB says by \$35 billion; CBO says by \$19 billion. But what will happen to the actual deficit?

History is particularly instructive on this score. From 1980 through 1993, six budgets were the result of budget summits and seven were not. In the agreement years, the deficit increased an average of \$26 billion. (Ignoring the years covered by the infamous 1990 budget accord yields a similar result: \$30 billion.) However, in the nonagreement years, the deficit actually decreased an average of \$17 billion. Thus, establishing parameters for the budget and threatening to veto any bill outside those parameters would likely reduce the deficit, whereas sitting down and cutting a deal with Congress would likely increase the deficit.

Unfortunately, every year or two our elected officials do a memory dump on recent history and call for summit negotiations "to reduce the deficit." The last time that happened, 1990, the deficit-reduction goal was \$496 billion. Mr. Clinton's goal is \$500 billion. As Ronald Reagan would say, "There they go again!"

Most important, the lack of spending discipline is evident by what Mr. Clinton has not proposed. Our present institutions impart a bias toward increased spending and increased deficits. The way out of the spiral is to adopt rules that meet this bias head-on. The most important such change would be a balanced budget amendment requiring a supermajority to increase spending (nominally, in real terms, or even as a proportion of gross national product). Yet, in his town meeting last week, Mr. Clinton said he couldn't support the idea.

A DISAPPOINTING PACKAGE

What about other rules? A line-item veto would be just great, but Mr. Clinton backed off when the congressional leadership objected. And what about firm caps on entitlement programs, or subjecting them to reauthorization (zero-based budgeting) on a regular timetable? And, what about automatic sequestrators of spending authority tied to deficit targets a la Gramm-Rudman-Hollings? If Mr. Clinton is indeed serious about getting the budget under control, he should spend his political capital on institutional reforms that provide incentives for Congress and the executive to choose fiscal responsibility over fiscal profligacy.

There are reasons to be disappointed with Mr. Clinton's package, not the least of which is that rather than being a stimulus for the economy, it may actually slow down the recovery. But most disappointing of all is that Mr. Clinton fails to grasp the salient feature of the present budget crisis. It's not a failure

of elected officials to compromise, an unwillingness of the public to go along with "shared sacrifice" or even a general lack of patriotism. It's a budget process that undermines spending discipline.

Mr. CRAIG. Mr. President, he argues, as I think many of us would argue, that unless there are structural changes made to the way we budget and the way we discipline ourselves here in Congress in a fiscal manner more than likely all of the new tax increases will be translated into spending increases and no true deficit reduction will occur.

He points out so clearly that spending cuts are not translated into reductions below last year's level of spending but only reductions in rates of increase based on a government that is now well over 65 percent on automatic pilot.

That is why I and others over the course of the last several years have proposed items like a constitutional amendment requiring a balanced budget, and we will continue to fight for that over the course of the development of the Clinton economic plan because, although our President is new to this town, he certainly should not be new to observing that this Congress in the course of the last 12 years, at least with my experience here, has demonstrated no will to be fiscally responsible and that we have the deficit and the budget crisis today because of the lack of that will. Whether it is the pressure of outside interest groups or whether it is the individual Members demonstrating no regard for the economy, there is without question a collective absence of a sense of fiscal responsibility, and I am convinced, I think as many others are, that we have to change the structure of the way we budget and change the environment in which we operate if we are to regain that kind of fiscal responsibility.

So I will attend the State of the Union Address this evening. I am very curious about what our President is proposing, but I am growing increasingly concerned that, as he said last Friday night in his town meeting, he had never seen a balanced budget amendment that he could agree on and he pooh-poohed in large part the one we had proposed saying we cannot put off this issue for 5 years, ignoring the fact that we were talking of immediate implementation and a phasing-in over a 5-year period, that largely he denounces the concept, a concept that I and others believe will be the only way we can return ourselves to fiscal responsibility.

So we will be reluctant to talk about taxes based on the record of 1984, 1986, and 1990 that in a bipartisan way this Congress of ours simply ignored the belief of the American public that we had to get our house in order and went on to spend and create the budgetary crisis that we are in today.

I hope our President has the will to resist the spending habits of this Congress and will work with us to implement an environment of fiscal concern and fiscal responsibility.

I yield back the remainder of my time.

NATIONAL INSTITUTES OF
HEALTH REVITALIZATION ACT
OF 1993

The Senate continued with consideration of the bill.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, are we in morning business or on the bill?

The PRESIDING OFFICER. We are currently considering S. 1.

The Senator from Idaho had sought and received unanimous consent to proceed as if in morning business.

Mr. COATS. Mr. President, I would like to be recognized to speak on S. 1.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, I intend to vote on this legislation when and if it gets to a vote and I trust it will shortly. I think the work of the National Institutes of Health is commendable in a number of areas and it has certainly provided the kinds of breakthroughs in medical treatment and diagnosis that is important to many millions of Americans.

America offers the best quality medical care in the world. We lead the world in pioneering cures for disease and finding innovative treatments. We are making dramatic discoveries in DNA fingerprinting, genetic markers, biomedical research, and noninvasive surgery. No other society has matched our achievements in combating disease and bringing hope to those many millions and others around the world who suffer. The National Institutes of Health represents hope for many millions of Americans. Authorizing \$6.1 billion next year for critical research I think is very important.

I am pleased that this bill focuses new attention on cancer research. This legislation contains \$2.2 billion for cancer research, which is a 10-percent increase over fiscal year 1993 levels. Particular emphasis is placed on breast cancer research and prostate cancer, the leading causes of deaths in women and men, respectively.

The funding for breast cancer research I believe will devote \$225 million to research the causes of breast cancer and an additional \$100 million for research, prevention, education and training aspects of that issue. Breast cancer we know will afflict 1 in 9 women and is the leading cause of cancer deaths in women between the ages of 19 and 54, responsible for 32 percent of all cancers in women.

In addition, the bill will authorize \$75 million for research on reproductive cancer.

I am also pleased the legislation authorizes a 20-percent increase for funding for the National Heart, Lung, and Blood Institute. This institute provides funding for the national research and demonstration centers for heart, blood vessel, lung and blood diseases, sickle cell anemia, and blood resources. This funding increase will enable researchers to utilize and continue the rapid development of new technologies in heart, lung, and blood research.

The bill also contains a number of other provisions that I support and I am pleased that will now be authorized.

Mr. President, I would like to raise some questions and concerns relative to one part of the bill that have primarily been resolved at least politically by the President's decision through executive order to lift the ban on fetal tissue research.

While I do support this bill and the many fine things it does, I do have some concerns about the use of fetal tissue in research with tax funds, because it raises a number of ethical questions that I do not think have been satisfactory answered or resolved. I would hope that my colleagues voting for and undoubtedly passing this legislation will not conclude that this issue is put to rest, will not conclude that the questions have been answered, and that all the ethical concerns have been addressed satisfactorily.

Because, while the legislation before us contains some very important safeguards, attempting to address some of those concerns, wrenching dilemmas, remain—dilemmas that are not, in my opinion, adequately addressed in the legislation.

I believe it is our job, on this issue, to find a path that serves both public health and moral principle; a path that can offer hope, but also shows ethical insights. Because I think if we fail on either side, we fail in all.

Scientific research does not occur in a moral vacuum. It has to be guided by something more than what is merely possible.

We need to thoughtfully consider some important questions—questions I do not believe the President and his administration have adequately answered relative to this issue.

Question No. 1: Will the use of fetal tissue from elective abortion create an irreversible economic and institutional bond between abortion centers and biomedical science?

Just think for a moment. If medical research becomes dependent on the provision of fetal tissue obtained from widespread abortion, a vested interest would clearly be created in a substantial, uninterrupted flow of fetal remains. Medical science would be dependent on continued legal abortion on demand.

Second, what future will we find if tissue transplants dependent on elective abortion are successful?

If all the victims of diabetes, Parkinson's, Alzheimer's disease, and neurological trauma were to be treated with human fetal tissue—and it is these diseases where there is some promise that tissue transplant research can provide some, if not cures, at least some alleviation of some of the symptoms—if all the victims of those diseases were, through the research, demonstrated to benefit from fetal tissue transplantation, it is estimated that between 4 and 20 million fetuses would have to be procured to supply the need for the treatment.

This obviously presents an ethical dilemma, because, just on this question alone, I believe we ought to be looking at some potential alternatives. Clearly, the demand for the fetal tissue would far outstrip the available current supply. And that in and of itself creates an ethical dilemma for many of us and one that I think we ought to seriously consider.

That is why I believe, along with others, that we need to direct attention to some alternatives—ways to generate fetal tissue without elective abortion, to look at cell cultures, the use of animal tissue and other research. Some alternatives must be found to induced abortion if demand is to be met and an ethical nightmare avoided.

Last year, Senator HATCH proposed an amendment to this legislation which would set up fetal tissue banks which would provide funds and an impetus to establishing cell cultures and research into use of animal tissue. Unfortunately, that amendment was defeated. I regret that, because I believe that, without pursuing the alternative of providing fetal tissue for research and hopefully ultimately cure or alleviation of symptoms for these diseases that affect so many Americans, we are putting ourselves into a nightmare of an ethical question at some point down the line.

A third question I think we need to ask is: By what right is this tissue obtained? Certainly, the remains of a fetus in any elective abortion are not donated in any traditional sense of the word. The fetus can give no consent. It is, instead, provided by the very people who chose to end the life of the fetus. Can the person who ended a life be morally permitted to determined the use of the organs of that life?

That is a question that I do not believe the legislation answers, that we have adequately discussed, or that the administration has adequately considered. And I would suggest to my colleagues that is something we ought to be looking at very, very carefully.

A fourth question: Is it really possible to separate neatly the practice of abortion from its use in biomedical research? Are researchers merely using the results of abortion, or are they dictating its practice? There are real concerns about how fetal tissue currently

is being procured. Some types of abortions, like suction abortions, tear the fetus apart, making the brain recoverable in only 8 percent of the cases.

A report issued by the University of Minnesota Center for Bioethics has stated that in Sweden:

Doctors say they have obtained brain tissue with a forceps before the fetus was suctioned out of the mother. That raises the question of whether the fetus was killed by the harvesting of brain tissue or by abortion.

Janice G. Raymond, professor of women's studies and medical ethics at the University of Massachusetts has testified that doctors are already altering the methods of abortion in order to get the tissue they desire. "Doctors who are eager to get good tissue samples," she says, "must put women at additional risk of complication by altering the methods for performing abortions and by extending the time it takes to perform a conventional abortion procedure."

Dorle Vawter, of the Center for Bioethics at the University of Minnesota, has reaffirmed this observation, noting that some clinics currently alter abortion methods for tissue harvesting—slowing the abortion procedure, reducing the pressure of the suction machine, and increasing the size of dilation instruments, all practices which place women at additional risk.

Finally, Mr. President, I believe we have to ask the question: Are we encouraging abortion by covering it with a veneer of compassion?

There are few, if any, Members of the U.S. Senate that stand and say, "I believe we ought to encourage the use of abortion," regardless on which side you fall on this issue, pro-life or pro-choice. I do not believe I have heard a Senator stand and say, "I support ever-increased abortion." All have said, even though they support a pro-choice position, all have said we would hope we can reduce the incidence of abortion by reducing unwanted pregnancy, by reducing the need for abortion. Well, I believe that runs counter to the question that I have just raised here.

My final question, and that is: Are we using the veneer of compassion—that is, using the byproduct from an abortion, the fetal tissue—to try to research and treat a demonstrable human illness, with potential for either curing that illness or alleviating the symptoms of that illness, are we setting ourselves up for a situation where we smooth over the rough question of whether or not abortions ought to be performed by saying that, well, at least the product of that goes to help those who are suffering?

Let me quote Dr. Kathleen Nolan, formerly of the Hastings Center, who wrote:

Lifesaving cures resulting from the use of cadaveric material might make abortion, and fetal death, seem less tragic. Enhancing abortion's image could thus be expected to

undermine efforts to make it as little needed and little done procedure as possible.

These are my questions, and my fears. As Stephen Post puts it:

Ultimately, it is the specter of a society whose medical institutions are inextricably bound up with elective abortions and whose people come to believe that for their own health they have every right to feed off the unborn, that gives pause.

I hope, Mr. President, all of us can give pause on these important questions that have not yet been resolved and that we not today, with the passage of this legislation, assume that this issue is no longer one that needs to be thought about or debated, assume that the issue has been taken care of in the legislation, and responds to inquiries on these questions by saying, oh, no, we took care of that early in 1993 when we passed the NIH reauthorization bill. These questions remain. They are serious questions. They go to the very essence of life. They are questions that deserve careful consideration, re-visit.

I hope each Senator will take the time to investigate and think through the implications of what we are doing today and keep the issue one that we can visit on a number of occasions and discuss seriously and thoughtfully.

I yield the floor.

NATIONAL LIBRARY OF MEDICINE

Mr. KENNEDY. Mr. President, there is more to the NIH than its Research Institutes and Center. One of its major assets is often overlooked. The National Library of Medicine is the world's greatest library for biomedicine, behavioral sciences, and health services research and medicare information.

Health services research is the main source of information that helps policymakers, managers, clinicians and consumers make better decisions.

As the health system becomes more complex, the problems more complicated, and the budgets tighter, it is increasingly important that decision makers have access to comprehensive and timely information.

Currently, there is no centralized source of easily accessible information on health services research comparable to that available to biomedical researchers and clinicians.

The most efficient way to fill this void is to build on the existing capacity of the National Library of Medicine.

This legislation reauthorizes the National Library of Medicine and supports the dissemination of biomedical and health information to health professions and the public.

The Medical Library Assistance Program will expand outreach efforts to practicing physicians. This program will allow physicians working in their own offices to have access to the current diagnostic and treatment information now available mainly through li-

braries through the use of personal computers.

Modern telecommunications technologies can play a vital role in closing the gap between the quality of health care services available in urban America and that available in the sparsely populated areas of the country. Rural patients can be hooked up to monitoring devices connected to academic medical centers, x-rays, EKG's, and other diagnostic information can be transmitted across country electronically. Medical students and health care providers in rural areas can receive an continuing education via telecommunications transmission.

The bill promotes the use of telecommunication technology in the provision of health care, the support of related research, and the education of health care providers.

The National Center for Biotechnology information will build new databases, develop ways to enhance and link existing ones, and develop new technologies for entering, storing, analyzing, and transmitting massive amounts of information in the field of biotechnology.

Through this legislation, we will ensure the dissemination of the latest biotechnology discoveries and developments to all our fellow citizens. The latest addict breakthroughs will be available to rural areas as well as the great urban medical centers.

By investing in the National Library of Medicine, we will provide health care providers with the medical information necessary to improve the quality of care, reduce health care cost and strengthen our health care delivery system.

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

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

The legislative clerk proceeded to call the roll.

Mr. COATS. 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. COATS. Mr. President, I ask unanimous consent that I be allowed to proceed for the next 5 minutes as in morning business.

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

TIME IS RUNNING OUT

Mr. COATS. Mr. President, I think we all know that time is running out on how and when we will deal with this deficit and the national debt which Members of both sides of the aisle have spoken to eloquently and articulately. The American people have spoken throughout the last campaign and all three candidates—Ross Perot, George Bush, and Bill Clinton—made deficit reduction a central issue of the campaign of 1992.

We have all seen the projections that have scared the financial markets and ought to scare all of us relative to where we are headed in this country if we do not take action now. We have talked about this for more than a decade, yet very little has been done because both the American people and the Congress, have not summoned up the will to attack this directly and substantially.

I think all of us came to the 103d Congress believing that the time is now; that we should move forward in a decisive way; and that the American people would support such an effort, not perhaps enthusiastically, but with the realization that sacrifice had to be made.

There are only two ways essentially to deal with this problem: One is to raise revenues and the other is to reduce spending. Some feel that raising revenue is the answer. Others feel that exclusively reducing spending is the answer and others say a combination is needed. There is one thing that the American people know for sure, at least Hoosiers know for sure—We tried one way, we tried the method of raising taxes as a way of reducing the deficit and retiring some of the national debt, and that way failed.

Fifty-six times in the past several decades we have raised taxes, almost every one of those times with the promise that the result would be a reduction in the deficit. As Hoosiers and all Americans know, it has not worked. The latest of these increases was just 2 years ago in the grand budget compromise of 1990 which promised \$3 of spending reductions for every dollar of tax increase. That is a ratio that has been used over and over. Regardless of which tax act you look at, it is always 2 to 1 or 3 to 1, but the result is usually just the opposite. We always end up getting the tax increase, but we do not seem to achieve the spending reduction.

It is easy—to put into place a change in withholding taxes or a change in tax law and then try to flow more money into the Treasury as a result, but it is extraordinarily difficult, as all of us have found, to achieve real spending reductions.

I am not going to prejudge the President's proposal which will be offered this evening, before Congress. However, has been leaked and discussed so far ought to give us all some pause and great concern. It certainly gave great concern to Wall Street yesterday with the largest fall in the Dow Jones average in nearly a year and a half. It certainly caused a ripple of concern—more than a ripple of concern—in the money markets around the world in relation to the value of the dollar. Based on what was reported the President will address this evening, a number of people have raised considerable concerns. They have raised those concerns be-

cause they have heard it all and seen it all before. They have been told that if we can just raise more revenue and send it to Washington, we can solve all of our problems; we can fund all the programs that we think are important for Americans; we can at the same time reduce the deficit.

I need to tell you that Hoosiers are not absolutely opposed to raising taxes in any form. Many have come to me and said: If I knew that a tax increase was going to go directly to reducing the deficit, I would consider some plan where I was guaranteed that the increase in revenue that you extracted from my earnings would go to reduce the deficit because I believe that would be for the benefit of all of us in the future; that reducing the deficit would help our economy; and would result in a net gain for America in the future.

But over and over and over we have asked the American people to send more dollars to Washington with the promise it would be used for deficit reduction but the result being increased spending for new programs. The American people have watched Congress time and time again walk up to the line and back down in terms of enacting meaningful spending cuts.

As I said, the reported proposal that the President will offer this evening looks as if, on the basis of the information that has been released, it is the same old story: All taxes, no spending cuts—that the promise of spending cuts is simply that, a promise. But the promise of taxes is a commitment to taxes.

I hope that is not the case. I hope the President surprises us this evening. I hope he has been shrewd enough to prepare the American people for a real surprise, that just at the point where we are thinking, "Oh, no, there they go again, tax and spend," the President will lay down a substantive, meaningful reduction in the size of Government, in the programs that Government funds, in eliminating waste, in taking real steps to reduce spending, because I think all of us instinctively know that, unless we do that, we are not going to solve this deficit problem.

We can tax and tax and throw revenue in here with adverse effects on the economy which ultimately are counterproductive to our ability to fund what Government should be funding, and we will not impose the kind of restraint on spending that is necessary to reduce the deficit or to control what many think and I believe is runaway government.

So I hope the President has a surprise for us tonight. Or I hope that even if the reported elements of the President's plan were correct this morning, the reaction of Wall Street yesterday, the stock market investors across this country and money markets around the world, would cause the administration to regroup and say,

"Maybe we better revise the plan we were going to offer tonight."

I hope that what is in the paper this morning is another trial balloon. We have had a lot of trial balloons on this economic plan. If they want to measure the effect of that, I think they just need to look at the consternation which is being raised across the country. Americans do not have much confidence that this will provide the economic recovery we are looking for. We do not have any confidence that this is going to reduce the deficit. We do not have any confidence that this will deal with the real problem which was so intensely debated and discussed during the campaign of 1992.

So I am going to wait to hear what the President has to say before I draw a final conclusion. I hope what the President has to say this evening is not what the President has said to date.

Mr. President, I yield the floor.

Mr. KENNEDY. 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.

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

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

RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 having passed, the Senate stands in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:38 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. REID).

NATIONAL INSTITUTES OF HEALTH REVITALIZATION ACT OF 1993

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The pending business of the Senate is S. 1.

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

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

THE OREGON WAIVER

Mr. HATFIELD. Mr. President, I have cleared just a few moments of comment with the managers of the bill. I would like to indicate that the Oregon waiver, which is to free the State of Oregon up to proceed with a dem-

onstration program on expanding health care to all people in our State for elementary health care, has been a national focus for now almost 4 years.

In the Bush administration, we were hopeful to get that waiver to proceed to make this kind of creative experiment. Things got fouled up in the legislative branch. We could not secure the waiver. The executive branch cleared it at the White House level, at the Secretary's level, at OMB level, but then, as so oftentimes is the case, the lawyers get involved and it got hung up on legal questions. I think that is being cleared now.

Candidate Clinton, running for the Democratic nomination, made a very strong public support statement. And then President Clinton, in visiting the National Governors Conference, added his further comment to the Governor's resolution, which was unanimously adopted, to offer to give the waiver to the State of Oregon.

I had intended to offer an amendment to this NIH pending bill. Mr. President, Secretary Shalala of HHS asked me not to offer the amendment. Senator PACKWOOD, my colleague from the State of Oregon, has labored long on this issue, as all of us have in the House of Representatives as well as in the Senate. We felt we had really a strong commitment. We wanted to make sure that this was acted upon quickly.

And I say that because, after 4 years, I have a letter here that I will ask unanimous consent to be printed in the RECORD from the Governor of our State, Barbara Roberts; from the president of the senate, Bill Bradbury; and the speaker of the house, Larry Campbell, urging an action by March 19 because of the fiscal issues confronting the Oregon Legislature and the Governor.

I have this letter, along with the National Governors' resolution to encourage prompt approval of the Oregon waiver, along with a news release as to the President's statement in which it says, "Clinton said the states were required to wait too long, fight through a rules process too complex and duplicate each other's efforts in seeking to provide the most cost-effective health services they can under the Federal Medicare rules."

Now, all of these documents, I will ask unanimous consent to have printed in the RECORD, along with the letter from Secretary Shalala.

Mr. President, she says in this letter:

This letter confirms our conversation concerning the Oregon waiver which is currently pending review by the Health Care Financing Administration. We are discussing with the Justice Department their concerns regarding the impact of the waiver on the Americans with Disabilities Act. I am confident that these discussions will be completed within the next few weeks. It is my intention to issue a decision on the waiver request and notify the Governor and the Congressional delegation no later than March 19, 1993 concerning the final disposition of this matter.

I enjoyed our meeting and look forward to a productive working relationship in the years ahead.

Signed,

DONNA E. SHALALA.

I ask unanimous consent that these documents be printed in the RECORD.

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

THE SECRETARY OF
HEALTH AND HUMAN SERVICES,
Washington, DC, February 17, 1993.

Senator MARK O. HATFIELD,
Senate Hart Office Building,
Washington, DC.

DEAR SENATOR HATFIELD: This letter confirms our conversation concerning the Oregon waiver which is currently pending review by the Health Care Financing Administration. We are discussing with the Justice Department their concerns regarding the impact of the waiver on the Americans with Disabilities Act. I am confident that these discussions will be completed within the next few weeks. It is my intention to issue a decision on the waiver request and notify the Governor and the congressional delegation no later than March 19, 1993 concerning the final disposition of this matter.

I enjoyed our meeting and look forward to a productive working relationship in the years ahead.

Sincerely,

DONNA E. SHALALA.

[From the Governors' Association,
Washington, DC]
NATIONAL HEALTH REFORM AND COST
CONTAINMENT

1. INTRODUCTION

The United States spends more on health care than any other industrialized nation even though fewer of our citizens have insured access to the health care system. Moreover, growth in the American health care industry has exceeded growth in the overall U.S. economy for almost every one of the last thirty years. As a result, health care expenditures represent an increasing share of the economy as measured by the gross domestic product (GDP). In 1980 health care was approximately 9.1 percent of GDP; in 1992 it represented 13.4 percent; and it is projected to represent about 17 percent of GDP by the turn of the century if current trends continue.

This phenomenal growth in costs has negatively affected government at every level and has seriously eroded the competitive edge of our businesses attempting to compete in a global marketplace.

Clearly the nation cannot sustain the current rate of growth in health care costs. If the system is expanded to include universal coverage without reform, the cost problems will be greatly exacerbated. While people may argue about the final target for an acceptable rate of growth in costs, the nation must develop a health care system that over the next several years will move growth in costs toward a long-term sustainable level.

The kinds of structural changes that must occur in the health care system to control costs cannot be effective unless and until every legal resident has health insurance. Universal access to health care is both a moral imperative and an invaluable cost containment tool.

2. BASIC FEDERAL FRAMEWORK

The Governors support a managed competitive approach to health care reform that

is organized by the federal government. However, attention must be paid to ensuring that the approach will work in both rural and inner-city areas. Toward that end, the federal government should establish a national health care board that includes state and local representation. Much of the framework for implementing managed competition could be accomplished by the national board.

The basic and fundamental federal framework for a restructured health care system that both controls costs and provides access and coverage must, at a minimum, include the following:

Universal access. Universal access to health care coverage should be guaranteed to every American. States should have the option of providing access to health care either through public or private programs or through an employer mandated system similar to those pursued in Kentucky, Oregon, and Hawaii.

A standardized and federally organized information base for consumers. The database must include price and quality information for all providers of health care services in a given geographic area.

Federally organized national outcomes research. One component of such research should focus on primary and preventive care. Among other uses, this research could be used as a basis for clinical practice models.

Federal minimum standards for the regulation of health insurance. These minimum standards must be developed in consultation with states and include limitations on the variation in rates that different individuals and groups charge; limitations on medical underwriting; and guaranteed renewability, portability, and availability of insurance products. States can exceed these minimum standards. These standards should apply to nontraditional insurance mechanisms, such as Multiple Employee Welfare Arrangements (MEWAs) and other ERISA plans, and to newly formed Health Insurance Purchasing Cooperatives. Once reforms are implemented, individuals bear a personal responsibility to obtain coverage either through public or private programs. The cost of coverage would be supplemented for low-income individuals.

State-organized purchasing cooperatives. Through purchasing cooperatives, affordable insurance products will be made available. States and the federal government must work together to ensure that states have flexibility in establishing and operating purchasing cooperatives within a national framework. Purchasing cooperatives should allow for public or private operation under state regulation.

Tort and liability reform standards. Tort and liability standards for health care should be developed by the federal government. However, states must have the flexibility to design and regulate their own programs that meet the federal standards or further limit liability.

A single national claims form. The federal government, in consultation with states, must develop a single claims form and support the development of electronic billing as a means to reduce administrative costs. A single electronic claims form system will simplify the administrative procedures for all health care participants, including hospitals, physicians, insurers, employers, government, and consumers.

Core benefits package. The federal government, in consultation with states, localities, businesses, and labor organizations, must develop a core benefits package comparable to those now provided by the most efficient and

cost-effective health maintenance organizations. There may be some state or regional variations in the basic benefit package, but such variations must be certified by a national health care board. Individuals would be free to purchase additional insurance with after-tax dollars. This package could be adjusted as additional information from outcomes research becomes available.

Limitations on tax deductibility of health insurance. The federal tax code must be amended to limit the tax deduction/exemption of health insurance for both employers and employees. Employer-paid insurance above the limit would be taxable to either the employer or employee. The self-employed would be eligible to purchase fully deductible health insurance—exempt from taxation as personal income—within the federal limit and/or tied to a percentage of an income level. This limit may be tied to the local cost of a basic benefit package and set at a specific dollar amount. Additional coverage or care can be purchased with after-tax dollars.

Primary and preventive care. The federal government must greatly expand its support for primary and preventive care including, but not limited to, periodic health screenings, prenatal care, well-baby care, and childhood immunizations.

3. SPECIFIC COST CONTAINMENT STRATEGIES

Even if a federal framework is established that adheres to the principles just described, a real possibility exists that the federal government will attempt cost control by capping the federal medical entitlement programs. A cap only on federal health care entitlement programs will most certainly continue to shift costs to the private sector and local governments and reduce real benefits. A more effective strategy is to control costs throughout the health care system by developing health care expenditure targets.

It is unrealistic to immediately enforce strict budget limits on health care spending, since available data are not sufficient to set accurate spending ceilings. However, the national framework, developed in consultation with the states, should include cost control mechanisms which should be implemented by the states as quickly as possible. Cost containment strategies must consider all the major cost-drivers in the health care and health insurance systems. Incentives such as expedited waivers and Medicaid demonstrations must also be available to contain costs.

Goals for the growth of national health care expenditures should be established for expenditures that are publicly supported either directly or through the tax code. Health care expenditures made by individuals with after-tax dollars would not be included in the targets. The national goals should be used to estimate expenditure targets for each state.

Data systems necessary to objectively measure national and state health care expenditures must be established.

As data become available, there should be a review of the progress the federal and state governments have made toward achieving the national expenditure goals.

The federal government should issue an annual report to the states that addresses the following.

The effectiveness of our health care expenditures toward producing and maintaining health for all of our citizens. The data should be presented in at least the following categories: populations, state-by-state, urban and rural, fee-for-service, various types of managed care, and comparative therapies.

The status of data system improvements, including the development of data categories, sample sizes, and timeliness.

The progress or failure of each state toward any state or per capita expenditure goals.

4. STATE AND LOCAL MANAGEMENT

Within the context of a managed competitive approach to health care reform that ensures universal access and controls costs, the Governors support the principle of state and local management. State and local governments will need a set of tools to manage a cost-effective health care system.

States wishing to undertake reforms which complement the federal framework described above and which are aimed at significantly expanding access to health care and controlling health care costs should be encouraged to move ahead in advance of full implementation of national reforms and should be given the tools necessary to be successful. For example, Governors encourage prompt approval of the Oregon waiver request.

Assuming that there still is a public program, even if that public program is modeled after Medicaid, state and local governments will need stable financing and a uniform definition of eligibility. Beyond that, however, state and local governments must be given the flexibility and authority to fully integrate the public program into a service delivery system that reflects the national movement toward managed care. The federal government must not impose mandates beyond the core benefits or service delivery restrictions on the public program. A streamlined and efficient public program will obviate the need for the complex and costly waiver process.

If Medicare continues to exist as a separate program, state and local governments will need the flexibility to fully integrate Medicare into their health care systems.

States must have the ability to include the current self-insured market (ERISA plans) in their state design.

States must have additional authority now precluded by federal anti-trust statutes.

5. ADDITIONAL FEDERAL/STATE ISSUES

The federal government must participate in a discussion about how to deal with the access issues of rural areas, inner cities, and populations currently financed by federal programs, including Native Americans, veterans, and dependents of military personnel. The federal government also must participate in discussions about the provision of care to undocumented aliens.

The federal government must reaffirm the traditional role of public health programs including epidemiology, environmental health, and disease prevention while integrating primary and preventive care services into the core benefits package to the extent possible. Adequate federal resources and technical assistance must be provided to ensure that the public health needs of states and communities can be met.

Federal, state, and local governments must work toward agreement on a long-term care program that recognizes the need for different levels of care and support either within or outside a health care institution.

The Governors are prepared to work with other interested organizations and with the President and Congress to flesh out the details of specific proposals and then to secure formal support and enactment.

OFFICE OF THE GOVERNOR,
Salem, OR, February 16, 1993.

HON. MARK O. HATFIELD,
Hart Building,
Washington, DC.

DEAR MARK: As you know, the State of Oregon awaits a decision by the Secretary of

Health and Human Services on our Medicaid waiver request. The expansion of health benefits to an estimated 120,000 Oregonians remains a high priority for our state. This is an historic opportunity for Oregon and I deeply appreciate your efforts on our behalf.

As the legislature considers its 1993-95 budget, we need a timely waiver decision so the legislature can allocate the needed revenue for the program.

I support your efforts to get us a timely decision through the Congressional action you have described. We believe the waiver request should be judged on its merits and we do need the decision by mid-March.

Thank you in advance for your assistance.

Sincerely,

BARBARA ROBERTS,
Governor.

STATE CAPITOL,
Salem, OR, February 3, 1993.

HON. MARK O. HATFIELD,
Hart Building,
Washington DC.

DEAR MARK: As you know, the 67th Oregon Legislative Assembly is off and rolling once again. There are many pressing issues that are at hand for Oregon; one of course is the budget considerations. We have a 1.2 billion dollar short fall and if we are going to be able to deal with funding the Oregon waiver for the upcoming biennium it is imperative that it be approved within the next 45 days.

This is a high priority but we find it unlikely that we will be able to deal with the funding of this waiver for the 1993-95 biennium if it is not received by mid-March. Therefore, we hope that your office can be instrumental in assisting us so that we may attempt to deal with the waiver this session.

If there is anymore that we can do from this end please don't hesitate to call.

Sincerely,

LARRY L. CAMPBELL,
Speaker of the House, Oregon Legislative
Assembly.

BILL BRADBURY,
Senate President, Oregon Legislative
Assembly.

[From the Washington Post, Feb. 2, 1993]
GOVERNORS, CLINTON TALK HEALTH CARE
(By Ann Devroy and Dana Priest)

President Clinton yesterday promised the nation's governors he would give them more flexibility in the way they provide health care to indigent residents under Medicaid, and revealed plans to include \$30 billion in tax credits and spending increases in his economic package to be unveiled later this month.

Clinton's two-hour-plus session with the governors at the White House, extraordinarily long by the standards of past presidents, allowed him to shift public focus back to his major campaign themes: preparing his economic program for its Feb. 17 State of the Union presentation, writing his budget for his first such submission on March 23 and starting extensive work on health care reform.

Clearly sensitive to the Medicaid issue from his years as a governor, Clinton said the states were required to wait too long, fight through a rules process too complex and duplicate each other's efforts in seeking to provide the most cost-effective health services they can under the federal Medicaid rules.

To remedy that, he said he had directed the Department of Health and Human Services and the federal Health Care Financing Administration to cut back—to one—re-

quests to the states for more documentation and clarifications of requests for waivers. He also has asked for establishment of a list of innovative state programs that would become available to all states once one had received federal approval and for an overall review of the process by which states get waivers from federal Medicaid rules.

"For years and years and years, governors have been screaming for relief from the cumbersome process by which the federal government has micromanaged the health care system affecting poor Americans," Clinton said. "We are going to try to give them that relief so that for lower costs we can do more good for more people."

But Clinton stopped short of actually granting exemptions or waivers to states attempting comprehensive health reform—Florida and Oregon among them.

According to two Republican governors, Carroll A. Campbell Jr. of South Carolina and William F. Weld of Massachusetts, Clinton told the group that his package to stimulate the economy will reach \$30 billion, half in direct government spending on projects such as road building and half on tax credits to business and industry.

Officials last week estimated the package would be \$20 billion to \$25 billion. Although Clinton did not say so, it was estimated the package would increase the overall deficit by \$30 billion the first year and be accompanied by a direct deficit reduction package for later years.

The governors said Clinton told them the White House wants to fund projects that can be started within 60 days. Clinton was handed what amounts to a governors' wish list—\$6.5 billion in transportation projects that are already to go under last year's transportation bill.

The governors praised Clinton's effort on Medicaid and his pledge to include their representatives in his health care task force headed by Hillary Rodham Clinton. She and Tipper Gore, wife of the vice president, attended the governors' session at the White House.

Medicaid, the state-federal program that provides health care to poor and disabled Americans, is the fastest-growing part of most states' budgets and accounts for as much as 20 percent of some states' spending. Combined federal and state spending for Medicaid has doubled since 1989 to \$140 billion this year.

In an effort to hold down health care costs, states want to experiment with nontraditional ways to provide health care to the poor.

Some states, for example, would rather allow elderly recipients to live at home with the assistance of nurses than to live in nursing homes required under Medicaid rules. Others would like to use Medicaid to cover uninsured children and pregnant women whose household income is too high to qualify but too low to pay for preventive and primary care.

To try such experiments, a state must obtain a waiver from Health Care Financing Administration in a process that can take years. Clinton, in his first meeting with then-President George Bush after the November election, complained to him about Medicaid rules, he told reporters then.

In addition, source said Clinton and the governors are close to an agreement on allowing as many as 32 states to collect up to \$350 million more in federal Medicaid grants this year than was allowed by the Bush administration. The money goes to reimburse hospitals that serve an unusually high volume of indigent patients.

Clinton also discussed health care reform with the governors, but only in broad terms. "The very tough, difficult" issues like cost controls "were not discussed today," said Colorado Gov. Roy Romer (D).

Later in the day, Senate Majority leader George J. Mitchell (D-Maine), who last year opposed waivers as an impediment to overall reform, told the governors he hoped they would use the liberalized waivers to push ahead with state experiments in improving health care delivery.

"State action at this time will not interfere with national health care reform," Mitchell said. "We need a comprehensive national health plan, but it must include substantial authority and flexibility at the state level."

As he puts together his spending plans, Clinton on Thursday will be informing departments and agencies of the deficit projections and economic stimulus decisions he has made for his first budget, and those officials must file appeals by Monday.

According to administration officials, the appeals must be "pay-as-you-go" appeals, that is, if a department wants more money for one of its programs, it must offset that with less in another of its programs. While the broad Clinton economic program will be unveiled in his State of the Union address on Feb. 17, the details will come in the formal 1994 federal budget to be released on March 23.

Mr. HATFIELD. These documents, Mr. President, do satisfy my desire to this congressional position taken on this. Senator MOYNIHAN of the Finance Committee and Senator PACKWOOD, the ranking member of the Finance Committee, have both assented to this waiver, support the waiver. And, as the Senator from New York indicated to me this noon, we will revisit this issue if it is not completed satisfactorily by March 19.

I thank the chairman of the committee for permitting this intrusion into his timeframe and these amendments pending.

I want to say again, Mr. President, I am happy that the Secretary and others have given their support to this. I am very hopeful that we can get it acted upon soon.

Mr. PACKWOOD addressed the Chair. The PRESIDING OFFICER. The junior Senator from Oregon.

Mr. PACKWOOD. Mr. President, I hope this is the end of a torturous road that Senator HATFIELD and I, Congressman WYDEN and others have pursued for the last solid 18 months and for the better part of 2½ years.

In the 1989 session of the legislature in Oregon, three bills were passed. One said that we will cover everybody in the State to the limit of the poverty level with Medicaid. We do not do that now. Most States do not do that now. And we said we would cover them on a broader basis than they are now covered. But we indicated that we would not cover everybody for every procedure that a much smaller group of people who are now covered by Medicaid are covered.

In other words, we said we are going to try to cover everybody with a basic,

broad medical plan. But in order to do that, because we do not have a lot of money to spend, we do not want to be compelled to cover some procedures that are very expensive that a very few people use.

The legislature passed that. They also passed an employer mandate bill, indicating that employers in the State must provide at least the minimum benefits package that Medicaid recipients would be eligible for. That would go into effect, however, only after the Medicaid waiver was passed.

Then we passed a third bill that was an insurance risk pool. For those that are unemployed but they are not eligible for Medicaid, they would be in the State risk pool. The money would be collected from employers and elsewhere and that risk pool would cover the others.

So, in essence, we were going to cover everybody. Everybody in the State, employed or unemployed, Medicaid to 100 percent of the poverty level, but in order to do it, we need a waiver from the Federal Government to be permitted to experiment with the Medicaid plan and the mandate on the employers to cover their employees did not go into effect until we got the waiver for the insurance pool.

And for 18 solid months we tried to get the waiver from the Bush administration. First, we were told there was a budget problem. And I worked extensively with then Budget Director Dick Darman. We got over that. Then we were told there was an abortion problem, that this Medicaid waiver would fund abortions. And, of course, the Federal law prohibits the use of Federal funds for abortions. And we indicated the waiver cannot override the Federal law. The President does not have the power just to waive Federal law. Got over that one.

Then in the midst of this, we passed the Americans with Disabilities Act while Oregon was applying for the Medicaid waiver. And the argument was this discriminated against the disabled. The Department of Justice looked at it. Allegedly this was the reason the Bush administration did not want to grant the waiver. I say "allegedly." I do not know if that was the reason, but I take them at their word.

And bear in mind, this act was not in full effect when Oregon applied for the waiver. We could not foresee this coming.

But here is the premise of what we are trying to do. And President Clinton, several weeks ago when he met with the Governors, said he wanted to grant all of these waivers and let the States experiment.

The premise is very simple in this Medicaid program of Oregon's. That premise is that at public expense, we cannot afford to cover every illness known to the mind of man or woman, no matter how expensive the treat-

ment, that we cannot afford to provide for every citizen at public expense the kind of health treatment that Henry Ford or John Rockefeller, if they were alive, would pay for themselves. We just do not have that much public money.

So not only did we pass this bill, we then set up a commission that held hearings all over the State as to what should be the priority of the care, what is the most important cost-benefit medical procedure you can have.

As I recall, I cannot remember if it was 789 or 719 procedures, what was the least. At the top, as I recall, was viral pneumonia; if not viral, the other pneumonia, which is easily treated with antibiotics and if you catch it quick you are cured and you are not likely to die of it. You are going to live a long time. And it is very expensive if you were to look at the entire list from one to the bottom. I do not think you would quarrel much with the philosophy of the cost-benefit system. You might quarrel with something that is 350 on the list as opposed to 360. But if you look at the whole list, whether it is elderly care, children, prenatal care, pregnant women, medicine that is relatively inexpensive, comparatively speaking, and which has a tremendous payout in terms of saving medical expenses at the other end.

Now, that is the philosophy of what we are trying to do. Some people call it rationing. But I would say we ration medicine now. I indicated earlier, Oregon does not cover people to 100 percent of the poverty level on Medicaid nor does any other State I know of. That is rationing. If you are above the poverty level that the State covers on Medicaid, you are out. Not a sou, not a penny. You are out. That is rationing. That is very brutal rationing.

So, Oregon tried to rationally—not rationally—rationally come up with a list that said what is the most important; what is the least important. I cannot recall how close to the bottom it is but one of the ones very close to the bottom is cosmetic surgery for pure cosmetic purposes. You are not in an accident, you just do not like your face and you would like to change it. The public is not going to pay for that. And it is understandable.

I hope the President will grant this waiver. I understand the sensitivity of it. But I also understand the need to restrain health costs in this country.

Within 3 or 4 years, Medicare and Medicaid together will exceed what we now pay out for Social Security—what we then pay out for Social Security. It will go beyond it in about 1997, as I recall—I may be off a year—and then it widens after that. What we pay out for Social Security and what we pay out for Medicaid are getting greater and greater. The health costs go up exponentially. Social Security only goes up with the cost of living. Public

health care, Medicare, Medicaid, goes up in places 2 to 3 to 4 to 5 times, on occasion, the cost of living. So we are trying to bring it under control.

In the meantime, the President and Ms. Clinton are working on a national health plan. But the President very clearly said he thinks the States ought to be laboratories. He emphasized that again when he spoke to the Governors—all of them, Republican and Democrat—when they were here 2 weeks ago or 3 weeks ago. He indicated how much he wanted to let the States experiment, eight or nine States having requests for Medicaid waivers—none as far-reaching and dramatic as Oregon.

Oregon so far is the only one of any State that has said we have finally come to the Rubicon and we must make a decision in terms of public money. How much we are going to spend for health, how much we are going to spend for education, how much we are going to spend for highways. And then within health, if you say that is all we have to spend because if we spend more we have to short other priorities within health, we are going to try to spend it on the best basis possible. That is all we are asking.

I am delighted we have finally—I do not want to say "finally" gotten a promise out of this administration, it is brand new—but we have finally gotten a promise that we will get a decision. I hope it is a favorable decision although I think I would feel very strongly unless the administration just said we will veto it, I would be tempted to try this on the floor if we do not get a favorable decision.

What Oregon wants to try, the Nation will one day have to come to. The Congressional Budget Office has estimated that health care costs in this Nation—this is public and private, not just public costs—health care costs in this country, which are now about 14 percent of our gross domestic product, will by the year 2000 be close to 20 percent of our gross national product. One dollar in five in this country we will spend on health. And for every 1-percent increase that we spend, it is 1-percent less we can spend on something else, assuming we were to spend it instead of applying it to the deficit, even. But it is 1-percent less we can spend on something else.

This country cannot forever run on the equivalent of the unending salt box at the bottom of the sea. There is a limit to money. There is a limit to how much taxpayers will pay, how much they should pay, and there is a limit to the total quantities of services we can give in this country. If you want to talk aircraft safety and Amtrak and environment and the forest service and health and Social Security and defense—there is a limit.

And I personally would prefer to not raise taxes if we are simply going to

spend the money, if we are not going to use it to narrow the deficit—and we never have used it to narrow the deficit before. All we do is raise the taxes and spend the money, either on new programs or expended old programs. If we are not going to use taxes to narrow the deficit, then the only way we are going to narrow it is to restrain spending.

I want to emphasize restrain, because people in Government use the word cut in a funny way. If you have \$100 a month from the Government this year, \$100 every month, and if you thought you were going to get \$120 next year and you got \$110, people say they have been cut \$10. They have not been cut. I do not know any business that uses the term cut in that sense.

If we are not going to raise taxes to narrow the deficit then the only way to narrow the deficit is to restrain the increase in spending. And if we are going to restrain it, it means priorities.

If health care is the highest priority, and there is to be no limit on it, then everything else is going to have to have more severe limits on it. It is really a philosophical choice. It is not in essence a political choice. When it comes to the prioritizing of medical care, it is very much a moral, almost a theological choice. But it is one this country must come to.

Oregon has come to it. Oregon wants permission to try it. And I hope very much this administration would give us that chance.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

AMENDMENT NO. 35

(Purpose: To ensure that foreign corporations are not provided with access to information derived from research funded in part with Federal funds prior to such information being publicly made available to domestic corporations.)

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alabama [Mr. SHELBY], for himself, Mr. NICKLES, and Mr. HELMS, proposes an amendment numbered 35 to the reported committee substitute as modified,

At the end of title XX, add the following new section:

SEC. 20 . ACCESS TO INFORMATION BY FOREIGN CORPORATIONS.

(a) PROHIBITION.—

(1) IN GENERAL.—Notwithstanding any other provision of law, information derived through research and development activities conducted in whole or in part with funds received from the National Institutes of Health or the National Science Foundation, may not be made available to a foreign corporation within the meaning of section 7701(a)(5) of the Internal Revenue Code of 1986, or a United States based subsidiary corporation of such a foreign corporation, by an institution of higher education if such corporation

of subsidiary has a financial relationship with the institution.

(2) FINANCIAL RELATIONSHIP.—A financial relationship with an institution as described in paragraph (1) shall exist if—

(A) the corporation or subsidiary involved has paid a fee to the institution;

(B) the institution has accepted any gifts or donations of the corporation or subsidiary involved; or

(C) the institution had acquired any stock or other financial holding in the corporation or subsidiary involved.

(3) DEFINITION.—As used in paragraph (1), the term "subsidiary corporation" means any corporation (incorporated in the United States) in an unbroken chain of corporations beginning with the foreign corporation involved if, at the time the information to which paragraph (1) is sought, each of the corporations other than the last corporation in the unbroken chain owns stock possessing 50 percent or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

(b) SHARING OF INFORMATION.—Notwithstanding any other provision of law, an institution of higher education may not permit the sharing of information derived from research and development activities conducted in whole or in part with funds received from the National Institutes of Health or the National Science Foundation with a foreign corporation (within the meaning of section 7701(a)(5) of the Internal Revenue Code of 1986) or a subsidiary of that corporation, prior to the time at which such information becomes publicly available.

(c) GUIDELINES.—Not later than 6 months after the date of enactment of this Act, the Secretary of Health and Human Services and the Director of the National Science Foundation shall promulgate guidelines for the implementation of this section.

(d) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary of Health and Human Services and the Director of the National Science Foundation shall prepare and submit to the appropriate committees of Congress a report concerning the implementation of this section, including an assessment of the status and progress of recipients of funds to which the section applies in complying with this section.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

AMENDMENT NO. 36 TO AMENDMENT NO. 35

(Purpose: To ensure that foreign corporations are not provided with access to information derived from research funded in part with Federal funds prior to such information being publicly made available to domestic corporations)

Mr. KENNEDY. Mr. President, I send an amendment in the second degree to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment numbered 36, to amendment numbered 35.

In the amendment strike all after SEC. and insert the following:

20 . ACCESS TO INFORMATION BY FOREIGN CORPORATIONS.

(a) PROHIBITION.—

(1) IN GENERAL.—Notwithstanding any other provision of law, information derived

through research and development activities conducted in whole or in part with funds received from the National Institutes of Health or the National Science Foundation, may not be made available to a foreign corporation within the meaning of section 7701(a)(5) of the Internal Revenue Code of 1986, or a United States based subsidiary corporation of such a foreign corporation, by an institution of higher education if such corporation or subsidiary has a financial relationship with the institution.

(2) FINANCIAL RELATIONSHIP.—A financial relationship with an institution as described in paragraph (1) shall exist if—

(A) the corporation or subsidiary involved has paid a fee to the institution;

(B) the institution has accepted any gifts or donations of the corporation or subsidiary involved; or

(C) the institution had acquired any stock or other financial holding in the corporation or subsidiary involved.

(3) DEFINITION.—As used in paragraph (1), the term "subsidiary corporation" means any corporation (incorporated in the United States) in an unbroken chain of corporations beginning with the foreign corporation involved if, at the time the information to which paragraph (1) is sought, each of the corporations other than the last corporation in the unbroken chain owns stock possessing 50 percent or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

(b) SHARING OF INFORMATION.—Notwithstanding any other provision of law, an institution of higher education may not permit the sharing of information derived from research and development activities conducted in whole or in part with funds received from the National Institutes of Health or the National Science Foundation with a foreign corporation (within the meaning of section 7701(a)(5) of the Internal Revenue Code of 1986) or a subsidiary of that corporation, prior to the time at which such information becomes publicly available.

(c) GUIDELINES.—Not later than 6 months after the date of enactment of this Act, the Secretary of Health and Human Services and the Director of the National Science Foundation shall promulgate guidelines for the implementation of this section.

(d) REPORT.—Not later than 13 months after the date of enactment of this Act, the Secretary of Health and Human Services and the Director of the National Science Foundation shall prepare and submit to the appropriate committees of Congress a report concerning the implementation of this section, including an assessment of the status and progress of recipients of funds to which this section applies in complying with this section.

Mr. SHELBY addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Mr. President, I ask unanimous consent that the distinguished Senator from Oklahoma, Senator NICKLES, and the distinguished Senator from North Carolina, Senator HELMS, be added as original cosponsors to this amendment.

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

Mr. SHELBY. Mr. President, often the best intended and successful plans wander astray over time. In 1980, 13 years ago, the Congress passed the patent and trademark amendments, the

Bayh-Dole Act. This act was intended to encourage the commercial licensing and development of federally funded research on the part of universities and other entities. In large part, these amendments have been successful. They have fostered a closer working relationship between industry and universities. This relationship provides additional private funding for research, more income for universities, and most importantly, commercial and competitive applications for our Federal research dollars.

Much of the success of the 1980 amendments can be attributed to a lack of government interference in the establishment of these university-business partnerships. However, a lack of government oversight has also led to what must be perceived as a terrible abuse of the system on the part of some universities. Presently, a number of leading research universities receiving funding through the National Science Foundation and the National Institutes of Health provide advance and exclusive access to this federally sponsored research to industrial corporations through what are known as industrial liaison programs, or ILP's. These programs should, Mr. President, ostensibly be helping American competitiveness by orienting Federal research dollars toward marketable technologies from which we create jobs.

Unfortunately, many of our research dollars, funded by the American taxpayer, are producing technologies that are provided to the foreign competitors of our own American companies.

Mr. President, there can be absolutely no justification for this practice. The products of research money, provided by the Federal Government for the betterment of the American people and their economic well-being, are being transferred to our overseas competitors. Mr. President, our trade balance remains in the red year after year. We, in Congress, bemoan the lack of American competitiveness and loss of jobs to foreign industry. In turn, we provide taxpayer money for NIH and National Science Foundation research with high humane and economic goals for the fruits of this research.

We are rewarded with the transfer of new technology produced with this research to our foreign competitors. I cannot possibly justify this practice to the American worker who has lost his or her job because of foreign competition; or to any taxpayer who sends his or her hard-earned money to the Internal Revenue Service. It disturbs me tremendously to think that the American consumer might purchase a product or service that was developed with his or her tax dollars, but manufactured and marketed by a foreign company in competition with domestic manufacturers.

Mr. President, the methods of this transfer vary from university to uni-

versity. However, the common method of foreign transfer of this technology is through so called industrial liaison programs.

For example, universities like the Massachusetts Institute of Technology charge a membership fee to corporations in return for membership in the program. In turn, corporations receive advance access and in some cases licensing rights to university research, although a lot of them are foreign corporations. Faculty members doing research at the university are encouraged to participate in the industrial liaison program through a system of rewards and inducements that range from free travel to extra office expenses. In return, faculty members are expected to share their research results, prior to publication, with ILP corporate members. In the case of MIT, faculty members are awarded points toward travel and other benefits based on the extent that they share such research results with ILP members.

What is disturbing about these programs, Mr. President, is not necessarily the system of incentives and fees, but the extent of foreign participation in these liaison programs. In MIT's liaison program, 45 percent of the members are foreign. Moreover, a full two-thirds of what MIT's own point system rates as substantial contacts are with foreign corporations. Half of that number are Japanese. In fact, the MIT points system rewards foreign contacts more than domestic ones. Foreign contacts have provided ILP professors anywhere from \$420 and \$1,200 in travel funds at a time. It can be no small coincidence that MIT has an ILP office in Tokyo. MIT receives 86 percent, Mr. President, of its research funding from the Federal Government, a figure well over \$400 million.

Of those 25 researchers at MIT, which we all know is a great university, receiving over a million dollars of NIH and NSF money over the past 5 years, 80 percent of these researchers had more contact with foreign corporations than with American ones. The same percentage holds true for the top 10 researchers who received between \$3 million and \$9 million over the same period. To make matters worse, MIT actually charged foreign companies less to join their ILP than they did domestic corporations.

Foreign participants in MIT's ILP program have enjoyed, Mr. President, direct tangible benefits from their participation in the program, to the detriment of U.S. companies. The chairman of NEC, a world leader in semiconductors, directly credited access to MIT research as a cornerstone of the company's success in the world market, including our own.

In response to congressional inquiries about these practices, MIT released a report to counter anticipated criticisms of its foreign contacts. I would

like to assure the Senator from Massachusetts that I am not singling out MIT only for criticism. I have a long list. Many major research universities have extensive foreign contacts. However, the available information on MIT's program and the large amount of Federal funding that it receives makes it an excellent example of the problem that I am describing.

The MIT response to the criticisms that I am leveling is indeed well thought out and eloquent. I would like to detail some of MIT's responses. Because over three-fourths of MIT's research budget is federally funded by the taxpayers, I would argue that restrictions should be placed on foreign access to the products of this research.

MIT responds in this paper that this argument, quote, "deserves serious consideration." Unfortunately, the authors of the response go on to dismiss this contention out of hand. The report contends that openness in the university and MIT's role as a major research institution requires a continuation of extensive foreign contact, including industrial liaison contracts. They defend their contracts with foreign firms by claiming that such contracts benefit American industry because MIT learns about our foreign competitors. The report concludes by recommending virtually no changes in MIT's foreign contact policies. Why should we not limit foreign access to taxpayer research, Mr. President.

Because, and I quote from the report, "The relative weakness of the United States in the ability to translate research to the commercial marketplace * * * must not be used as a reason to limit the openness of university research; that would ultimately erode the quality of that research." If I understand this argument, Mr. President, MIT is claiming that because United States firms are not as good at commercial development as the Japanese, then they do not deserve a break from the institution. I hope that is not what they mean, but that is the way I read it. The conclusion sounds to me as if MIT is saying "drop dead"—forget the taxpayers, forget the money they put in here. Mr. President, I believe that MIT has motivations for maintaining its foreign contacts other than academic freedom and research quality. MIT by its own admission is raising large amounts of money through foreign contacts, and they are not alone.

The report contends that this is necessary because of MIT's small endowment. MIT already receives a half a billion dollars per year in Federal research money. MIT raised \$8 million last year from its ILP program alone. MIT's foreign contacts, including 30 chairs endowed by foreign companies, are bringing in substantial amounts of money to the university. MIT's response, and I quote again, "Unrestricted gifts from foreign sources for

endowment, chairs, and other purposes are an effective means for foreign beneficiaries of American science and technology to contribute to the continued productivity of the research base from which they have benefited. The relationships that naturally develop with any substantial donor to the institute are equally appropriate with foreign donors." Mr. President, I believe that in a nutshell this is the summary of the problem. Universities like MIT are supplementing their income through research relationships with foreign companies. They are taking billions of dollars per year in Federal research money and selling the products of that money to the highest bidder. Such practices are, quote, "appropriate." The issue is simple, Mr. President. The sanctity of openness and quality of research are only covers for simple greed.

Again, Mr. President, I want to emphasize that this is not simply an MIT problem.

One-third of the foreign members of ILP programs in a recent GAO report belonged to Stanford and California Berkeley alone. In addition, the following universities have foreign members in ILP programs that provide advance access to research:

The University of California at San Diego, Columbia, Cornell, Illinois, Maryland, Michigan, Minnesota, Northwestern, the University of Pittsburgh has 70 foreign members, Rochester, Southern California, the University of Washington, Washington University, and Wisconsin.

Columbia has the Columbia Forum in Japan. Carnegie Mellon and California Berkeley have fundraising offices in Tokyo. All of these offices are designed to coordinate and foster financial and/or technical ties with foreign members. The practice of soliciting foreign development of these technologies in return for financial gain is widespread, Mr. President. I propose today that we take away the incentives for the transfer of taxpayer financed research to foreign companies.

My amendment is very simple, Mr. President. It will remove the economic motivation to sell government-sponsored university research to the highest bidder. The amendment will prohibit the sharing of NIH and NSF funded research with foreign corporations if the university has any financial ties to, or accepts any compensation from that company.

This only seems fair because American companies are paying twice for access to the same research, first in the form of corporate taxes and a second time in ILP membership fees. Furthermore, the amendment I am offering today will prohibit the sharing of such research with foreign companies before that research is made publicly available. This provision is to take away any incentive for any university to provide free, exclusive access to infor-

mation in the hope of future licensing sales. At least such a provision will give domestic companies a fighting chance.

Mr. President, the practices that I have described here today cannot continue.

In a time of shrinking discretionary spending, research universities testify before Congress that NSF and NIH research money is necessary for American competitiveness. They have been successful in maintaining and increasing their share of the budget while other valuable programs have suffered. Mr. President, if this money is truly increasing American competitiveness I am unequivocally in support of it because I have supported every one of these initiatives. However, I cannot support the diversion of the products of this research money to the foreign corporations, especially when we appropriate the money to, in part, enhance American competitiveness.

I ask that my colleagues join me in support of the amendment. I cannot face my constituents with eloquent justifications for their tax dollars subsidizing foreign companies. I am not sure that my colleagues can either.

Mr. President, I have a couple of charts that I will use to outline this program as it is being used now. We had them a few minutes ago.

I suggest the absence of a quorum.

Mr. KENNEDY addressed the Chair.

Mr. SHELBY. Go ahead.

The PRESIDING OFFICER. Did the Senator from Massachusetts ask the Senator from Alabama to withhold suggesting the absence of a quorum?

Mr. SHELBY. I will withhold.

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

Mr. KENNEDY. Mr. President, I welcome the opportunity to address the Senate. During the course of our hearings on the National Institutes of Health, this amendment did not come up. It did not come up during the course of our hearings. It was not offered by any members. Even in the time when the leader had indicated that we were going to have an opportunity to bring the legislation up it was not advanced. And I was notified last evening about this particular issue. So we will address that particular issue at the present time.

During the course of the morning, we have had an opportunity to talk, as we should, with the head of the National Institutes of Health, National Science Foundation, the President's Adviser on Technology Development, all of whom oppose this amendment. Not that that ought to be the defining issue, but they oppose it for a variety of reasons, both because of its drafting, the vagueness of the draft, and also because of the signal it sends.

They do not, I must say in a general way, although they have not had the chance to write the letters—maybe

they will have more of an opportunity during the course of the afternoon. They have not had the opportunity to say that unequivocally this is not a matter that ought to have some attention by the NSF and by the National Institutes of Health.

But I am still waiting for the Senator from Alabama to point out the transgressions which allegedly exist at a university in my own State, who says they exist in other universities across the country. What is completely unacceptable, obviously, is American research funded by the National Institutes of Health, funded by the National Science Foundation that is made available to foreign corporations. That is wrong. We are against it. I am against it. He has stated that that is taking place, and I am asking for the evidence for that accusation.

He talks about procedures that are followed at one of the universities in my own State, the Massachusetts Institute of Technology. After an academician and researcher publishes the information, they can talk to whom ever they want. That is what is happening at MIT and that is what is happening in other universities around the country.

If we do not want that to happen, then that is a matter of changed policy. For a long period of time we have been trying to encourage American corporations to get the cutting edge of new technology so they can compete around the world. I deplore the fact that the maglev technology developed at MIT went abroad to a European corporation. American companies had an opportunity to do it. They have not. And the most advanced new technology for rapid transportation on railroads has all been developed by European companies.

That has been true on issue after issue. Advanced definitional television, available to American corporations—no. Published questions, and then that technology produced in a foreign country. Well, I wish it were all done here. It would mean more jobs here at home.

But to make sense from what the Senator is talking about, he has to be able to demonstrate, which was not demonstrated in the House hearings, and was not demonstrated by the General Accounting Office, that these transgressions are taking place. That is the best information that we have.

I have indicated to the Senator we would be glad to have a hearing on it—have the National Institutes of Health, have the National Science Foundation, have his researchers that talk about this matter, all up before us and let us get the facts out.

Mr. SARBANES. Will the Senator yield?

Mr. KENNEDY. I am glad to yield.

Mr. SARBANES. Has the Senator's distinguished committee which he chairs, ever held hearings on this subject?

Mr. KENNEDY. We have not held hearings on this subject.

Mr. SARBANES. This is a very complex subject because it involves a lot of competing values including the freedom of academic research. It seems to me if we are going to deal with this subject in a manner that is suggested by this amendment, this is not a study amendment. This is an amendment that actually puts restrictions and limitations into law. It seems to me at least it ought to be supported by or backed up by a proper set of hearings within the committee.

I take it the committee has not done that work. Is that correct?

Mr. KENNEDY. Indeed, the committee has not done that. I have indicated to the Senator from Alabama we are glad to. I think there are sufficient issues of concern in terms of the utilization that we would certainly welcome. We are constantly dealing with issues for example on patents, research programs, that go to the universities, and establish the patents. How is the public interest going to be protected? We are not dealing with that issue here today. It is just on the issues of information.

On the whole question of the NIH we have very impressive measures in this dealing with scientific integrity, questions that have been raised as a result of congressional hearings. We certainly are open to those different recommendations and suggestions. As a matter of fact, we incorporated and worked with a good deal of the recommendations that came out of the Dingell committee and also out of Senator NUNN's committee, investigative committee, as well, that incorporated that in ways in which the universities, the researchers, and others were able to support.

It is easy enough to come out here and beat up on the Japanese, all those that beat up on our European adversaries, beat up on them. And there are three universities which have 58 percent of the agreements in terms of foreign researchers. And there has not been, at least in the presentation that has been made so far, any evidence whatsoever that those agreements have been violated. If they have been violated, we have problems. We are not even saying they should not have an opportunity—I am not particularly familiar. I know just on the basis of the material we have been able to gather since last night what has happened in those universities. I do not know if there are other universities that have violated it. Certainly if there are, we ought to know about it and try to deal with it. We are glad to do it.

We do know the GAO reviewed this subject matter and did not come up with these kinds of glaring statements and allegations that the Senator from Alabama has come up with. We do know the House got into it with their own kind of concerns and have rec-

commended that the NIH and National Science Foundation should be concerned about it.

The fact of the matter is in NIH and the National Science Foundation they already have the authority existing to try to deal with it. We are glad to ask them to join with the Senator from Alabama if they so want to and ask them to review this, and come back and have a study on this issue.

As the Senator from Maryland has pointed out, he wants to try to make basically these allegations which we have yet to hear from other than, "My goodness, there are foreign investments that are taking place in American universities." Some are trying to get those resources over at American universities. Try to invest in those. Some feel that that is useful. Clearly, it is not American-funded research being leaked out and being used, purloined, stolen from universities in violation of any agreement which they are going to profit on. Of course that is wrong. If we have examples of those factors, then obviously those are matters that ought to be attended to.

But other than just sort of describing the fact that there are certain number of chairs at certain number of universities that are supported by foreigners, and that foreigners come over there and visit the university and once in a while someone travels to a foreign country, I would have thought we would try to be thinking about how we are going to get some of the scientists from Eastern Europe over here that are dealing with desperate problems in their environment and the rest of it.

We are going to send a powerful message to them all right. "You come from abroad. You are from a foreign nation. Boy, don't you give a nickel to an American university and don't let your people come on over there and be seen in the cafeterias to talk to any of these."

So much for international conferences. Let us have a bed check for everyone that is going to attend an international conference. A scientist or researcher goes to an international conference in Europe and we find out in the back of the room there is a European corporation waiting just to hear that person and that American university loses all of its funding. That is good. We will get those head checks, check their passports, make sure there are none out there.

I wonder if they are part-time workers.

Come on, Mr. President. We are talking about the National Institutes of Health. He has included the National Science Foundation. We have jurisdiction on that issue. Also the Commerce Committee has. I do not know Senator HOLLINGS' or the ranking minority's position on this. They have been consulted. We started with the staff to let them know. I imagine if we are dealing

with the jurisdictions of different committees, we notify those committees as well. I know the Senator from Alabama has done that. We have not heard from them.

I am sure they will be interested, as I would have thought the administration, the Secretary of Commerce would have some interest in this as well. We are going to hear tonight, I expect, about all the investments we are going to make about new technologies and developing centers, and how we are going to work that whole process through.

One thing we will know. If this amendment passes, certainly there will not be any other funding for those other than what we have, which is limited enough.

Mr. President, I will get into a greater degree of just about the specifics of the amendment itself in just a few moments.

But I hope that we will not accept this particular amendment.

Mr. SHELBY addressed the Chair.

The PRESIDING OFFICER (Mr. SIMON). The Senator from Alabama is recognized.

Mr. SHELBY. Mr. President, the Senator from Massachusetts wanted to talk about evidence and so forth. I would like to ask unanimous consent that the report of the House Government Operations Committee entitled "Science for Sale, Transferring Technology in Universities to Foreign Corporations," dated October 16, 1992, after extensive hearings over in the other body, be printed in the RECORD.

The PRESIDING OFFICER. Is there objection?

Mr. KENNEDY. Mr. President, reserving the right to object, would not the whole report be done with tax money?

Mr. SHELBY. Yes.

Mr. KENNEDY. Taxpayers' money.

I have no objection.

Mr. SHELBY. The Senator should not object to this because it is a condensed report, but it has a lot in it that supports the argument to exclude foreign corporations from having access to taxpayers' research.

Will the Senator yield for a request? Will the Senator from Massachusetts yield for a request?

Mr. KENNEDY. I apologize. Certainly.

Mr. SHELBY. Mr. President, earlier in the debate when we were talking about the amendment before the Senate, I asked that we consider a House report from one of the committees. I ask that request be withdrawn and vitiated.

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

Mr. NICKLES. Mr. President, will the Senator from Alabama yield for a question?

Mr. SHELBY. I yield for a question.

Mr. NICKLES. In looking at the Senator's language, is the extent of his

amendment to try to make sure U.S. taxpayers' funds either coming from the National Science Foundation or National Institutes of Health, which are going to universities throughout the country, would not be used to subsidize or assist foreign corporations?

Mr. SHELBY. Absolutely. That is the thrust of it. And that is probably sensitive to lots of people. But when we are here talking about competitiveness, we are talking about budgets, we are talking about the American taxpayer. I think we have to see where this money goes and who is getting it, and then who is building products to compete against us with it.

Mr. NICKLES. Mr. President, will the Senator yield for an additional question?

Mr. SHELBY. I yield.

Mr. NICKLES. I have not seen the report. I guess it was a House report or investigation on it. Did they come up with dollar figures, that so many billions of dollars or hundreds of millions of dollars were used in indirectly assisting or subsidizing foreign corporations in some manner?

Mr. SHELBY. Some of it.

Let me share—if I may regain my floor privilege here, let me give you some examples of this.

Harvard and California at Irving have built research centers with Japanese corporate money respectively. Research in this facility will be augmented with Federal money, our taxpayers' money, to make products. Toshiba has advanced compact disk technology through taxpayer university research. There is evidence of this. It is not something I created out of the air. There is evidence of this. The MIT-created famed cutting edge media has been manufactured in Japan. Japanese officials were surprised they were so willing to sell it, as it has been described as a crown jewel of American research and development. A lot of it has been through the American taxpayer.

Mr. KENNEDY. Mr. President, will the Senator respond to a question?

Mr. SHELBY. I am glad to respond to a question.

Mr. KENNEDY. Just the end of last week, IBM and Siemens, a German firm, announced an agreement for new computer technology at a different university. How would the Senator's amendment apply to that?

Mr. SHELBY. Mr. President, I do not think my amendment would bother that at all. I regain my floor privilege here. I do not think my legislation, my amendment, would bother that at all.

The thrust of my amendment is to protect the taxpayer from subsidizing foreign corporations, not from foreign corporations getting with us and doing their own independent research. Those are two different things.

Mr. KENNEDY. If any of this money that they have in the private sector

goes to any of the universities that the Senator has mentioned, would they be permitted to be able to receive that money? Would the universities be able to receive it and would foreigners be able to go to those universities and talk to those researchers?

Mr. SHELBY. Not if they were using the taxpayers' money to finance their research; no.

Mr. KENNEDY. No; I am just talking about research done by taxpayers' money. They are going to have a tax deduction for it. So what is the Senator saying?

Mr. SHELBY. What I am saying is this—

Mr. KENNEDY. What is the Senator saying? They cannot do it when they even get agreement?

Mr. SHELBY. I will tell the Senator what I am saying. I believe I have the floor.

What I am saying is the thrust of this amendment would be to protect the taxpayers of America from subsidizing the foreign corporations with their basic research which is funneled through various universities without letting the American corporations first have access to it.

That is the thrust of this amendment. It makes sense. It is important to the taxpayers. And if we can ventilate it here with further debate, I believe more Members will understand it.

Mr. SARBANES. Mr. President, will the Senator yield for a question?

Mr. SHELBY. I am glad to yield.

Mr. SARBANES. What does the Senator's amendment do where you have two corporations which enter into a joint venture, one an American corporation and one a foreign corporation?

Mr. SHELBY. It does not keep them from entering into any kind of joint venture.

Mr. SARBANES. I understand that. If the university shares its findings with that joint venture, then it loses all of its NIH or NSF funding?

Mr. SHELBY. No.

Mr. SARBANES. Why not?

Mr. SHELBY. It prohibits them from doing this.

Mr. SARBANES. That is the very point.

Mr. SHELBY. That is if they are sharing the research. The thrust of the amendment is to keep us from subsidizing foreign corporations.

Mr. SARBANES. I understand that. I am trying to probe what the amendment does. And I am asking the question, what is the thrust of the amendment if instead of just having a foreign corporation, you have a joint venture?

Mr. SHELBY. First of all, my amendment would call for guidelines to be issued by the National Science Foundation and the National Institutes of Health after they go into this if this amendment is passed, which I hope it will be.

Mr. SARBANES. The Senator's amendment says if any information is

shared with a foreign corporation—and I am positing that you have a joint venture having a foreign corporation and American corporation; that is happening more and more—that if any of that information is shared, they lose their grant.

Is that correct?

Mr. SHELBY. I will read it to the Senator, Mr. President, and I know the Senator read it.

No information derived from National Institutes of Health and National Science Foundation funds in whole or in part may be shared with any foreign company as defined by section 7701(a)5 of the Internal Revenue Code of 1986, or U.S. subsidiary of a foreign corporation with which the university has a financial relationship, and so forth.

In addition, information may not be shared with foreign companies prior to that information becoming publicly available.

That is the thrust of my amendment.

Mr. SARBANES. I understand that, and I have read the Senator's amendment. The question I am putting to the Senator is, what does his amendment do in the instance in which an American corporation and a foreign corporation have entered into a joint venture, and which information is then shared with this joint venture, part of which is an American corporation and part of which is a foreign corporation? Would it eliminate the aid to that?

Mr. SHELBY. It would not eliminate it.

Mr. SARBANES. Why not?

Mr. SHELBY. Because it would be first offered to the American corporation. The American corporation, if it had the research value of the basic university research and was doing something with it, under my amendment they would already have the leading edge in technology. If they wanted to share it with one of the Japanese or German companies, they could do this; but not the opposite.

Do not let the Japanese or other foreign companies have it ahead of our own people. That is the thrust of this amendment. It makes a lot of sense if you look at it.

Mr. SARBANES. Mr. President, I looked at it. It puts a flat ban on it. The Senator's amendment, in effect, in those instances in which there was a joint venture, having an American and a foreign corporation in which a university was involved in trying to enhance this research and development, would eliminate that university from National Institutes of Health or National Science Foundation grants.

Mr. SHELBY. The basic thrust, Mr. President—and I have gone back to this three or four times—is to protect the American taxpayers' basic research dollars from going to foreign corporations. However it may go.

Mr. SARBANES. Mr. President, I understand the basic thrust. I am trying to deal with the impact of the amendment in the real world.

And what I am trying to get at is, in the real world, where you face joint

ventures, you in effect are going to put American universities sort of at the risk of losing all of their NIH and NSF grants in this instance. I take it from the way the Senator is responding to my question that he would not want that to happen, because he is not directly responding to it. He is moving back to a different set of facts.

But on the facts that I am presenting, these American universities are going to be simply eliminated from having this sponsored research from the NIH and the NSF.

I take it the Senator does not want to do that?

Mr. SHELBY. Mr. President, I am reclaiming my floor privilege here.

This amendment would require that universities receiving NIH or National Science Foundation funds and which are licensing this technology must develop programs to locate markets and develop these technologies with domestic—in other words, American—companies. The university would have 2 years to report on its efforts to NIH or the National Science Foundation to have its program certified. Failure to comply with it would subject the university to loss.

That is the thrust of what we are trying to do.

Mr. SARBANES. Mr. President, if the Senator will yield, where is that provision in the Senator's amendment? If I could find that provision in that amendment—

Mr. SHELBY. I will yield to the Senator from Maryland in a few minutes, Mr. President. Right now, I am going to go through what we have on the boards describing what is going on.

First of all, the taxpayers—if you will share with me here—the taxpayers, all of us here, we fund research through the National Institutes of Health and the National Science Foundation. This money is going to various and sundry colleges and universities around the United States. The MIT is not the only one. It is a great university, and one of the leading ones.

In this case, it would show MIT receiving \$430 million for the year in Federal research money. There are many others who do this. They create what they call an industrial liaison program that costs \$50,000 to join. They have some of these offices, for example, in Tokyo.

What does this do? This brings about faculty research, the findings are published, the people who participate, the foreign companies in the liaison program. They have access to the findings of the research before American companies do, before domestic companies.

Who benefits from this? Well, the faculty members benefit for travel, office expenses. The universities benefit because it grants them access to various and sundry things.

It also gives license to foreign companies. The foreign company then de-

velops technology that comes out of the basic taxpayer research. The foreign companies then, once they adapt this to the marketplace, create products and then jobs and sell these goods, among other markets, in the U.S. market.

So the taxpayer buys foreign goods developed with researched funded by their colleagues. It is a round robin. You can follow the outline here.

I have another chart I want to share. There is MIT, a great university, one of the greatest in the world. We know that. MIT: A case study.

Of MIT's top 10 researchers, 8 reported more contact with foreign corporations than with American ones. Thirty-six percent contact with other foreign companies; 33 percent contact with American companies; 30.3 percent contact with Japanese companies. MIT's top 10 researchers received between \$3.1 and \$9.3 million from NIH or the National Science Foundation over the last 5 years.

What this amendment basically is all about, when it gets down to it, is: Are we going to continue to use the taxpayers' money to provide research that will benefit our foreign competitors? If we are, we are going to continue with what is going on today. If we are not, we are going to do something about it.

They have already had hearings on it over in the House. I wish we would have had hearings on it in the Senate. Maybe that will come. But the amendment that I have proposed here today would protect the American taxpayers. Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mrs. KASSEBAUM. Mr. President, I think the Senator from Alabama raises some concerns that we would all share.

But I would have to agree with those who have spoken earlier about this being very broadly drawn. Without, hopefully, being redundant, I would like to ask the Senator from Alabama some questions.

One is: How is "sharing information" defined? Would the prohibition against sharing information with foreign companies or their subsidiaries apply, for instance, to just routine requests?

Now, I believe, as I read the amendment that such a definition would be developed no later than a year after the date of enactment; would that be correct? Would the definition of "sharing of information" be clarified at that point?

Mr. SHELBY. The answer to that is "yes."

Mrs. KASSEBAUM. I think it would create a lot of confusion, for instance, about whether this amendment would prohibit scientists from delivering papers at conferences where there might be representatives from foreign companies.

I think there are some very important points that have been made. I,

too, think the implications of this amendment, without greater clarification of its operation, will only leave a great deal of confusion.

I hope that we could have a series of hearings on this issue in the Senate. I realize there have been some hearings in the House. But I think we have to look at what the implications are for universities, working in cooperation with U.S. subsidiaries.

As the Senator from Alabama has pointed out, it is not just MIT, but also probably the University of Alabama, the University of Kansas, and countless other institutions where research is being done with the financial help of the National Science Foundation or the National Institutes of Health.

I think it is very important, Mr. President, to be a little clearer about some of the definitions that are involved. While these questions may be clarified in a year, that still sows a lot of seeds of confusion in the interim.

That is why I would suggest to the Senator from Alabama that we have a period of time in which to review this matter and find some ways, perhaps, to clarify these definitions in advance—not a whole year later.

Mr. SHELBY. If the Senator from Kansas will yield to comment on her statement.

Mrs. KASSEBAUM. Yes.

Mr. SHELBY. I realize there have not been any hearings in the committee yet. I wish there had been.

But this is a serious question facing us in America, facing our universities. They are well funded. They bring about a lot of basic research.

But I believe—and I believe the American taxpayer would agree with me—that they want their tax dollars to go to universities, including mainly our own, I hope all of our own, that are going to bring research about to help bring products to create jobs for the American people and not our foreign competition.

Now, if I had some kind of assurance from not only the Senator from Kansas but the chairman of the committee, the Senator from Massachusetts, that we would have hearings on this very subject before the committee, say in the next 6 weeks or 2 months, because it is early in this legislative year, where both sides could be heard, where both sides could thrash this out, where we could have an open debate in the committee and then perhaps find a resolution to this, I have no objection to that.

But, I think the distinguished Senator from Massachusetts would have to respond to that.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I welcome the opportunity to work with the Senator from Alabama. We would be glad to have the hearings within the 2-

month period. We will work that out. The only reason for being cautious about it is I would like to permit the NSF and also the NIH to have an opportunity to review it so that their testimony would be responsive.

On my part, I have no reluctance to scheduling it within that period of the time. I would be glad to work with the Senator so that the Senator is satisfied that those two agencies will be prepared.

Mr. SHELBY. Would the distinguished chairman say right here—and I know if he says it, he will do it—that he will schedule a hearing on this, a specific hearing on the thrust of what we are trying to do, or at least I am trying to do, to ventilate this, to see if we can improve the way our research dollars are spent with our universities.

Mr. KENNEDY. I would be glad to have a hearing on the subject matter of the whole ethical, if it is, the ethical issues involved in American taxpayers research money being available to foreign companies and corporations and what is the appropriate type of arrangements that are held.

I want to hear from the National Science Foundation. I would be glad to hear from the NIH.

Mr. SHELBY. I think we want to hear from the universities.

Mr. KENNEDY. Yes; we want to hear from the universities.

I do not want to be put in the position where they are going to have to feel compelled to go to every university that may or may not be receiving it. I want to do it in a timely way.

I also want to indicate to the Senator that in that hearing we ought to hear from NSF and the NIH about what we are doing in foreign countries. We have developed in the NSF and the National Institutes of Health important research that is being done in foreign countries at institutes of research there. We want to have some idea and awareness of what the implications would be there, as well.

I think we ought to take a look at it. I think Senator SARBANES and Senator KASSEBAUM have raised the questions in a broad context, and I want to be able to deal with the thrust of the Senator's point.

I do not raise this as in any way deflecting the importance of examining the thrust of the Senator's point. But I do also want to work with Senator KASSEBAUM, Senator SARBANES, and other Members if they are watching and listening to this, to try and at least get a hearing that will focus on this issue.

Mr. SHELBY. On the thrust of my amendment?

Mr. KENNEDY. Yes.

Mr. SHELBY. Or the thrust of the problem.

Mr. KENNEDY. The Senator is correct.

Mr. SHELBY. With that assurance, and that is why we bring things to the

attention of the American people and the floor at times, I feel reassured about what the Senator will do in the committee.

Mr. KENNEDY. I thank the Senator. Do I understand that the Senator intends to withdraw his amendment?

Mr. SHELBY. I ask unanimous consent to withdraw the amendment.

The PRESIDING OFFICER. The Senator has the right to withdraw his amendment, and the amendment is withdrawn.

The amendment (No. 35) was withdrawn.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. I want to commend the chairman of the committee for his willingness to examine it. I was not clear, as the distinguished Senator from Alabama talked about MIT, which he referred to as a great university and then listed a long list of grievances, whether he came to the floor today to praise MIT or to bury MIT. So I am still left wondering in that regard, but I guess we will find out on another day.

Mr. SHELBY. Praise.

Mr. SARBANES. I could not tell whether you came to bury MIT or praise it.

Mr. SHELBY. If the Senator would yield for a comment?

Mr. SARBANES. Surely.

Mr. SHELBY. The Senator from Alabama first came to praise MIT as—

Mr. SARBANES. And then to bury it.

Mr. SHELBY. As, if not "the," one of the great research universities and great universities in the world, if not the leading one in the world. Also, the distinguished Senator from Maryland has one in Baltimore, Johns Hopkins University.

Mr. SARBANES. And the University of Maryland. We have two great research universities.

Mr. SHELBY. But I wanted to praise MIT for all the things they have done, and there are many, many in America, dealing with research and development. But I wanted to point out—and I said it is not just MIT—you know a lot of universities that are doing this. We will develop that in a hearing before the committee chaired by the Senator from Massachusetts, and we will have a chance to hear both sides and maybe come to some resolution of the problem, because I think there is a problem here.

Thank you.

The PRESIDING OFFICER (Mr. GLENN). The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I thank the Senator from Alabama. He addressed the principal issue that the Senator from Oregon, Senator HATFIELD, and also Senator PACKWOOD and the Senator from Alabama were concerned with.

I think, at least in terms of the notification, we have matters relating to

HIV, which the two leaders are addressing or attempting to address. And I believe there are perhaps one or two other items at least that we know at this time.

We want to reiterate—I do to our Democratic side and I know Senator KASSEBAUM has to the Republicans as well—if there are going to be other amendments, I hope they will be forthcoming.

We have accepted an amendment of the Senator from Vermont, Senator JEFFORDS, to set up a disease surveillance and followup registry for identifying the relationship between the occupation of household members and the incidence of subsequent conditions or diseases in other members of the household. This has been agreed to on both sides.

Senator GORTON has an Institute of Medicine study to determine a method for allocating research dollars based on scientific merit and cost effectiveness. That has been agreed on.

Senator MOYNIHAN has an amendment dealing with NIDA, which is the principal agency that is doing research in terms of substance abuse and addiction. As I understand it, he will offer a sense of the Senate supporting NIDA programs and also providing treatment on demand. That is in the process now of working its way through the Members. But those, to date, are the ones that have been accepted and that are being contemplated.

Mr. President, Senator ROTH had an amendment which deals with the peer review process. At this point, we do not find it acceptable for reasons we will outline, but we would always like to try to work it through with our colleagues to see if those problems can be adjusted. We have worked with others, and we welcome the opportunity to work with him. There may be others. But we want, from time to time, to let the membership know where we are on the different measures so they can at least be alert to what progress has been made.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. I think we are trying to work on some agreements on what few amendments still may be there. The next amendment is one that will be important and will require some time in debate. It is one that will be offered soon by Senator NICKLES, if he is ready to offer that on our side.

Mr. KENNEDY. Fine. That is fine.

Mrs. KASSEBAUM. That is regarding the immigration issue and AIDS.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I did not catch the initial comments but I have been here now for a couple of hours and we are more than ready to offer the amendment. I believe the amendment by the Senator from Alabama is pending. It has been with-

drawn. I will be happy to offer the amendment.

AMENDMENT NO. 37

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

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Oklahoma [Mr. NICKLES], for himself, Mr. DOLE, Mrs. KASSEBAUM, Mr. HELMS, Mr. GRAMM, Mr. LOTT, Mr. COATS, Mr. MACK, Mr. CRAIG, Mr. BOND, and Mr. COVERDELL, proposes an amendment numbered 37.

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

Mr. KENNEDY. Mr. President, just so we all know, after the amendment of the Senator is offered, I intend to offer an amendment in the second degree in behalf of myself and the majority leader. I would prefer to hear the full amendment, just until I have an opportunity to get it from staff that are in the back of the Chamber.

So I will object for that reason, and for no other, just so we could have the reading of the amendment.

The PRESIDING OFFICER. Objection is heard. The clerk will read the amendment.

The bill clerk read as follows:

At the appropriate place, add the following:

SECTION 1. ADMISSION TO THE UNITED STATES OF ALIENS INFECTED WITH THE AIDS VIRUS.

(a) Notwithstanding any other provision of law, regulations or directives concerning the exclusion of aliens on health related grounds, infection with HIV, the human immunodeficiency virus, shall constitute a communicable disease of public health significance for purposes of section 212(a)(1)(A)(i) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(1)(A)(i)).

(b) REPORT REQUIRED.—The President shall submit a report by September 1, 1993 containing—

(1) an assessment of the anticipated costs of the admission to the United States of persons with HIV to public health care programs, including such costs as will be borne by States and municipalities, and private insurers and health care providers;

(2) an estimate of the number and origins of persons infected with HIV likely to seek entry into the United States before December 31, 2003;

(3) an assessment of the effectiveness of the Immigration and Nationality Act in preventing persons entering the United States likely to become a public charge, as well as the ability to enforce this Act with regard to persons infected with potentially costly health conditions including, but not limited to HIV;

(4) the cost implications of refugees entering or likely to enter the United States, who carry the HIV virus;

(5) A comparison of the anticipated public and private health care costs associated with aliens infected with HIV with the costs attributable to the entry of aliens suffering from other health conditions;

(c) HIV TESTING.—Except as otherwise provided in subsection (d) the Attorney General, in consultation with the Secretary of HHS,

shall provide for the testing of aliens for infection with HIV in accordance with the policy in effect on January 1, 1993;

(d) **WAIVER AUTHORITY.**—Subsection (c) may be waived by the Attorney General, in consultation with the Secretary of HHS for non-immigrants who, except for the provisions of this act, would be admissible to the United States, and who seek admission for 30 days or less for the purpose of:

- (1) attending educational or medical conferences;
- (2) receiving medical treatment;
- (3) visiting close family members;
- (4) conducting temporary business activities; or
- (5) visiting for pleasure (tourism);

and in addition such non-immigrants may be admitted without questions as to whether they are carriers of the HIV virus, at the discretion of the Attorney General.

(e) **RULE OF CONSTRUCTION.**—Nothing in this section shall be construed to limit the authority of the Secretary of HHS to prescribe regulations, concerning communicable diseases of public health significance, other than infection with the human immunodeficiency virus in accordance with section 212(a)(1)(A)(i) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(1)(A)(i)).

Several Senators addressed the Chair.

The **PRESIDING OFFICER.** The Senator from Massachusetts.

AMENDMENT NO. 38 TO AMENDMENT NO. 37

(Purpose: To provide that the current list of communicable diseases of public health significance remain in place for a 60-day period and to require that a careful review of potential costs to the United States health care system take place before any change in the list)

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

The **PRESIDING OFFICER.** The clerk will report.

The bill clerk read as follows:

The Senator from Massachusetts [Mr. **KENNEDY**] proposes an amendment numbered 38 to amendment No. 37.

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

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

The amendment is as follows:

In the amendment strike all after section and insert the following:

SEC. . CONDITIONS ON ANY REMOVAL OF HIV STATUS EXCLUSION.

(a) **RETENTION OF EXCLUSION.**—The current list of communicable diseases of public health significance as in effect on February 16, 1993, shall remain in effect for a period of at least 60 days after the date of enactment of this Act for purposes of section 212(a)(1)(A)(i) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(1)(A)(i)).

(b) **REPORT REQUIRED.**—If the Secretary of Health and Human Services removes or alters the list described in subsection (a) after the expiration of the 60-day period described in that subsection, then the Secretary shall submit to Congress a report containing—

- (1) an assessment of—

(A) the anticipated effect of such action on costs to United States public health care programs and entities, as well as to those operated by States and municipalities; and

(B) the anticipated costs to private insurers and health care providers of such action;

(2) any findings regarding current immigration law submitted by the Attorney General under subsection (c); and

(3) a comparison of the anticipated public and private health care costs associated with aliens infected with HIV with the costs attributable to the entry of aliens suffering from other health conditions.

(c) **STUDY AND REPORT.**—(1) The Attorney General shall conduct a study of the following:

(A) The effectiveness of current provisions of the Immigration and Nationality Act in guarding against entry into the United States of persons likely to become a public charge and in deporting, during a 5-year period after such entry, those immigrants who do become public charges.

(B) The ability of the Immigration and Naturalization Service to apply and enforce such Act with regard to immigrants infected with potentially costly health conditions including, but not limited to, HIV.

(2) The Attorney General shall submit to the President, the Secretary of Health and Human Services, and the Congress a report setting forth the findings of the study conducted under paragraph (1) and including such recommendations as the Attorney General determines may be necessary for revision of current immigration law to ensure that immigrants with costly health conditions who are likely to become public charges will be excluded.

Mr. **NICKLES.** Mr. President, the amendment that I offer today is on behalf of myself, Senator **DOLE**, Senator **KASSEBAUM**, Senator **HELMS**, Senator **SHELBY**, Senator **GRAMM**, Senator **LOTT**, Senator **COATS**, Senator **MACK**, Senator **CRAIG**, Senator **BOND**, and Senator **COVERDELL**.

What this amendment would do would be to prohibit permanent immigration to the United States for persons infected with HIV. I think all of my colleagues are aware that President Clinton and his staff announced his intention to change the present policy which prohibits persons from entering this country permanently who are presently carrying the AIDS virus.

I think this change by President Clinton is a serious mistake. I think it is a serious mistake for several reasons. One is for the health implications. As I think all my colleagues are aware, HIV is a deadly virus. I wish we had a cure for it. Under the bill we are considering right now, we are going to authorize and appropriate over \$2 billion in research to try and find a cure for this very deadly disease, but we do not have a cure yet. As a matter of fact, it is not likely that we will for the next few years. I hope that we could have one tomorrow, but it is not there yet.

So if we change this policy and allow more people to come into the country that are HIV positive, if they do not change their social behavior, the disease will spread faster throughout the United States. It will infect a lot more people in this country. It will cost lives and, Mr. President, the second part of this is that it will cost millions of dol-

lars. This change in policy that is promoted by President Clinton is not only a decision that will cost lives, but it will cost hundreds of millions of dollars. It will overburden an already overburdened health care system, one that we are having a very difficult time affording today. We have heard different estimates of the cost of treating someone that is HIV positive. I have quotes from some people who say it is \$100,000. I have others who say it is \$200,000. Some say those estimates are too low, and that the actual cost would even be higher.

I do know this: I know the cost in Medicaid is already exploding and that many of the people who have been coming into the country who are HIV positive would be Medicaid eligible and ultimately would be on Medicaid.

I have a chart that shows the recent charges for Medicaid and how rapidly it is growing. It is the fastest growing entitlement program, fastest growing program in Government today. Medicaid last year grew at 29 percent, that is \$15.3 billion for 1992 alone. The year before it was 27.7 percent. The year before that 18.8 percent. So you can see that Medicaid costs are exploding, and this is without this new policy which, again, would just add to the growing medical crisis that we have.

I would like to compliment my colleague, Senator **KASSEBAUM**, who has worked with me on this amendment. There are several pieces of this amendment which are mine and there are several pieces which are Senator **KASSEBAUM**'s. Also, I would like to thank Senator **DOLE** who helped make some constructive changes as well.

This amendment would do four things. One, it would codify the present provision in law, and I will just read it:

Notwithstanding any other provision in regulations or directives concerning the exclusion of aliens on health related grounds, infection with HIV, the human immunodeficiency virus, shall constitute a communicable disease of public health significance for purposes of section 212 of the Immigration and Nationality Act.

That is present practice. That has been the practice for several years. Section B of the amendment was requested by Senator **KASSEBAUM**, and I think makes eminent good sense, says the President shall submit a report by September 1, 1993, containing the assessments of cost and what the impact his proposal to lift the ban would be. I will allow Senator **KASSEBAUM** to make further statements on this as well.

Section C, HIV testing. We will continue to have testing for aliens coming into this country, as we do right now to test and find out whether or not they are HIV positive.

Section D would allow people to come into the country without testing if they are coming in temporarily. They can come in temporarily to attend an educational conference or medical conference, to receive medical

treatment, to visit family members, to conduct temporary business or to even visit the country for tourism. But this would be a 30-day waiver and if they receive this waiver, they would not have to be tested for HIV.

But, Mr. President, what we would not do is allow people to come permanently into this country who are HIV positive, who may or may not continue their social behavior, which might spread the disease throughout the United States and also be a very significant financial drain and burden on an already burdened system.

This is a serious amendment. I have not had a chance really to analyze Senator KENNEDY's second-degree amendment. Earlier, we were negotiating on having a separate vote on both amendments. I hope that is exactly what we will have, an up-or-down vote on both amendments. I think that is important. If I understand Senator KENNEDY's amendment, it is basically a delay in change of policy, but then it would allow the Secretary and/or the President, I guess, to implement the change without any congressional action whatsoever. They would have a hearing, they would have some reports on costs, but it would still allow the Secretary, or the President through the Secretary to implement the change without congressional action. I think that would be a mistake. I think it would be costly both in the form of lives and costly in the form of dollars to an already overburdened system.

Mr. President, I yield the floor.

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mrs. KASSEBAUM. Mr. President, 2 years ago when this issue was considered in the context of the upcoming World Conference on AIDS in Boston, the debate focused at that time largely on the issue of whether foreigners with AIDS would pose a public health risk to American citizens. Today, however, the chief issue has become cost, and I believe that it does need to be addressed.

AIDS is not spread by casual contact, through the air or from food, water or other objects. Thus, I believe it is important that we not simply support an AIDS ban out of fear, that entrance to the United States will pose an immediate contagious risk to Americans. I think this is very unfortunate if, indeed, in any way this is take in that context. An overwhelming majority of public health experts, including the Centers for Disease Control, the American Medical Association and the American Public Health Association stress that no such threat exists and that the current ban is not justifiable on public health grounds.

Mr. President, my concern lies in the area of potential financial costs to an already beleaguered American health

care system. For example, people who I have talked to in Kansas tell me they cannot understand why we would allow immigration of highly expensive AIDS, and other health-related cases into this country, even as our own health care costs are exploding and one out of seven Americans has no health coverage at all.

Advocates of lifting the current AIDS exclusions claim that the likely financial cost of doing so will be acceptable and that current immigration laws already contain adequate protections against the entry of persons deemed "likely to become a public charge."

Mr. President, this may be true. Thus far, however, I do not believe the case has been adequately made. I am troubled, that there appears to be no documentation on whether or not existing immigration laws have in fact been working effectively to guard against entry of persons found likely to be "a public charge." Similarly, considering that a single AIDS case is currently estimated to cost about \$102,000 over the lifetime of the patient, I think we deserve to know a lot more about how many AIDS-infected immigrants we are going to see in coming years if this ban is lifted. And again, I would wish to expand this inquiry to include immigrants who are entering the United States with other health-related concerns.

I believe the following key questions need to be examined more carefully before we move ahead with the lifting of the current immigration ban.

First, what are the estimates of the likely number and origin of persons infected with HIV who are likely to seek entry into the United States in the next few years?

Second, what exactly is the projected financial impact of such immigrants on cost to the U.S. public health care programs and to the health care system in general?

Third, how effective are our current immigration laws in screening out applicants likely to become "a public charge?" Are these laws working and are they adequately enforced?

Mr. President, I intend to support the amendment that has been offered by Senator NICKLES and others to require that the current AIDS exclusion remain in place pending legislative action to the contrary by Congress. I do so for two basic reasons.

First, as I have discussed, there are simply too many serious unanswered questions about potential cost to our health care system to permit lifting the AIDS immigration ban without further examination of the issue.

Second, I agree with the sponsors of this amendment that the issues involved with AIDS and immigration are too sensitive and too complex to prevent a lifting of the ban by regulation only as the opposition proposes.

This amendment offers what I believe to be a sensible alternative. We did try,

and I appreciate the efforts of the chairman of the committee and others, to find a compromise. But this amendment I am cosponsoring would not in any way preclude the President from proposing at any time that the ban be lifted. All it would do is require that Congress consent to such an action through legislation.

The approach being advanced by the other side would provide for several months delay in which this issue would be studied, but after that time the Secretary would have full authority to lift the ban through regulation. Congress would not be consulted on the matter.

I would like to ask my colleagues this: If the troubling cost questions regarding AIDS and immigration are serious enough to warrant an act of Congress today to stop the President from moving forward, are they not also serious enough to justify requiring that Congress must act to approve the lifting of the ban several months from now?

The other side will argue that the list of health conditions on the immigration list should be a matter to be dealt with through regulation, not legislation. I appreciate this point, and I do agree that under normal circumstances matters such as disease exclusion lists for immigration are ones that should be dealt with by the Secretary through regulation.

However, Mr. President, these are not normal circumstances and, tragically, AIDS is not just another disease. There is ample precedent for Congress to intervene in the executive regulatory process on issues of particular public importance, including the area of health policy. In fact, this very bill, as earlier NIH bills, includes a provision providing that any action by the Secretary of Health and Human Services to bar Federal funding for fetal tissue research must first be approved by a special ethics advisory board.

Also, let us not forget that the current AIDS exclusion exists in large part because of congressional action. In fact, the vote to add this exclusion passed the Senate in 1987 by a unanimous vote of 96 to zero. I hope and expect that if this amendment is passed, there will be renewed examination of the AIDS immigration question. If it can be shown that HIV-infected immigrants do not, in fact, pose a cost burden to the American health care system or if it can be demonstrated that there is a better way to handle our immigration policy in this area, I will be among the first to help seek an overturning of the current exclusion.

I am particularly pleased that the study includes an assessment of the effectiveness of the Immigration and Nationality Act in preventing persons who are likely to become a public charge. Additionally, a distinction is drawn between immigrants and refugees. The cost analysis of that study

will be the cost implication of refugees entering, or likely to enter, the United States.

Mr. President, I believe as a result of this study we will gain a greater degree of information that will help us analyze this sensitive issue. Although a difficult question, I believe it is one that must be answered to the satisfaction of the American public, and addressed by Congress in a responsible manner.

I yield the floor.

Mr. NICKLES, Mr. President.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. I wish to thank the Senator from Kansas for her statement and also for her leadership. As I mentioned before, the report required in a section of this amendment came from the Senator from Kansas and I think that is a very good addition to this amendment.

Also, Mr. President, I ask unanimous consent that Senator GRAMM, Senator THURMOND, and also Senator SMITH be added as cosponsors.

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

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. I rise in support of the Nickles amendment, and I congratulate the Senator from Oklahoma for the work he has already done on this issue. He has a long list of cosponsors. He has been open to suggestions. I think that has been very helpful.

I also would like to express appreciation to the Senator from Kansas, Mrs. KASSEBAUM, for her work in coming up with this amendment.

I think this amendment, the Nickles amendment actually is too narrowly drawn. I would like it also to be applicable to other diseases that we have talked about in the past—gonorrhea, syphilis, other sexually communicable diseases.

But this one is narrowly aimed at the HIV and AIDS problem. So I am going to accept that. But I personally would like to see it broader.

I want to emphasize on a procedural point that I assume somewhere along the line there is going to be an agreement worked out where there can be a direct vote on the Nickles amendment, perhaps a direct vote on the Kennedy amendment. I do not think we should let this issue rest on a second-degree amendment which, in effect, wipes out the Nickles first-degree amendment. I had thought that agreement was being worked out and I hope that is going to happen. I think it is important that we have a direct, clear vote on the substance of the Nickles amendment.

Having said that, I would now like to address what is at stake.

This has been a very low-keyed debate so far. I think the people need to understand exactly what we are talk-

ing about this afternoon. President Clinton has indicated a policy or a change in policy that would allow immigrants to come into this country that are infected with the HIV virus. Let us make no mistake about it. Let us make it clear. We are talking about immigrants coming into the country with AIDS.

I think we need to think about that. When I was in my own State this past week, I had this subject raised more than any other subject, more than homosexuals in the military, more than the proposal to cut Social Security benefits, more than the proposal to tax Social Security benefits, more than the proposals to raise taxes on everyone down to people making only \$30,000 a year. People would say, "Have you all lost your minds?"

First of all, most Americans think our immigration policy has gone askew. They wonder why we cannot control our borders, why do we have this flood of illegal aliens coming into the country. They also wonder why we have the flood of legal aliens that are coming into the country. They think that is out of control.

So they wonder about the laws on the books, and what the administrations—and I say that because it should include previous administrations—what are we thinking in not being able to control the flood of immigrants coming into this country? We have the Statue of Liberty. We also have the policy of letting people come into the country. But should we have some reasonable control? Absolutely. I think you will find that, if you ask people in this country, whether it is New York, Mississippi, California, or North Carolina.

Then you add to that. They ask me the question in Belzoni, or in Belmont, "Are you serious? You are talking about opening up the floodgates and allowing people to come in as immigrants with a problem, a disease that is sexually communicable?" They do not understand that. I do not understand it.

So I do not think we should study the problem, to address the costs—and they are significant—to address the question of health implications, and then let it go forward. I think we should put into law the policy that has been in place and then if the Congress wants to change that law, and answer their constituents, so be it. But to set up a system where we have a government study and then let it go forward, I do not believe the American people are going to accept that.

Mr. President, any time in this country when we have a threat to public health, big or even very small, this body and the appropriate Government institutions are responsible for taking steps to minimize or eliminate those threats—to take action. Recently, we had the tragedy involving food poisoning. It gripped the Nation. We saw lit-

tle children sick and clinging to life—some dying. We took action. The appropriate Government agencies swung into action. They changed policy. They increased inspections. They moved in there to eliminate the threat. The Government responded immediately and appropriately to this tragedy.

Contrast that tragedy and that action to what we have proposed here by the President with regard to lifting immigration restrictions placed on people with AIDS. The proposed change in policy would increase the threat to the public, it would lead to the possible continued spread of a deadly communicable disease, and would burden the health care system in this country. There is no question that it has health care implications.

The President stated the other night directly that what we need more of in Washington is common sense. Certainly I agree with that. The current policy which excludes people who have a communicable disease, of public health significance, is the most commonsense policy I have ever heard. That is a policy we should keep in place. To reverse that sound policy would be a grave violation of not only common sense, but of our duty to protect the public.

So I strongly support the Nickles amendment which would codify the existing immigration policy.

Should we have a study, and understand exactly what the impact might be on health care or the cost which might be involved? Fine. Sure. That is good. Go ahead, have a study, but do not set up a process where it automatically goes into effect without Congress being involved in the results of that study and without additional congressional action.

A similar amendment to this one passed in 1987 by a vote of 96 to 0. I believe that was the vote. Not one Senator voted against it. Not one Senator stood to say this policy did not make sense. I would argue that the Senate's vote on that occasion represented common sense, not the absence of it.

What would happen if we changed the current policy to allow immigration of those which are HIV positive? Would public health benefit? Clearly the answer is no. Would it pose a significant risk to public health? Yes; it would. Would it help contain the spread of a tragic and incurable disease? No. Would the U.S. health care system bear the burden of additional AIDS case costs? Clearly, yes.

The reasons for maintaining the current policy are clear. It is sound. It protects public health. It helps contain the spread of a tragic disease, and prevents a further burdening of the U.S. health care system.

My colleagues, you have already heard documentation in terms of the impact on our Medicaid system. Even the American Medical Association, the

body that should be most knowledgeable and experienced in AIDS policy, supports the current policy which is reflected in the Nickles amendment.

So my colleagues, I am for a very calm, cool, and rational debate, but I feel passionate about this. If we do not put this law in place we are going to wind up with a decision being made by the Secretary of HHS just to change it summarily. I think that would be a tragic mistake. The Senate needs to vote on this issue. I believe when the Senate votes on this issue the current policy will be maintained. I certainly hope that will be the result.

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

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, on the procedure, I want to indicate to the Senator from Oklahoma, and to the membership, that at this time, or at some time, the leadership will address the various interests of Members in terms of this issue.

So I am glad to work with the Senator from Oklahoma and others to ensure that we have an opportunity to address this in an appropriate way at an appropriate time.

There are Members interested in this issue on both sides. I think a number of them are wondering when we are going to come to grips with this particular amendment. We were hopeful this might have been the last amendment. I think we are pretty close to completion of the bill. We have been appreciative of those who wanted to offer this amendment, for working with us over the past 24 hours.

Mr. President, first of all, I want to mention very briefly exactly what our amendment does.

AMENDMENT NO. 38, AS MODIFIED

Mr. KENNEDY. Mr. President, it is in order for me to send a modification of my amendment?

The PRESIDING OFFICER. The Senator has a right to modify the amendment.

Mr. KENNEDY. Mr. President, I send a modification to the desk, and indicate it simply changes 60 days to 90 days.

The PRESIDING OFFICER. The amendment is so modified.

Mr. HELMS. Just a moment. I want to know what the modification is.

Mr. KENNEDY. The modification maintains the status quo for 90 days rather than 60 days.

Mr. HELMS. That is all it does, just the dates?

Mr. KENNEDY. That is all it does.

The PRESIDING OFFICER. The amendment is so modified.

The amendment (No. 38) as modified, is as follows:

(Purpose: To provide that the current list of communicable diseases of public health significance remain in place for a 90-day period and to require that a careful review of potential costs to the United States health care system take place before any change in the list)

In the Nickles amendment No. 37, strike all after "Section" and insert:

STUDY OF THE COST IMPLICATIONS OF ALTERING THE PUBLIC HEALTH EXCLUSION LIST.

(a) RETENTION OF EXCLUSION.—The current list of communicable diseases of public health significance as in effect on February 17, 1993, shall remain in effect for a period of at least 90 days after the date of enactment of this Act for purposes of section 212(a)(1)(A)(i) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(1)(A)(i)).

(b) REPORT REQUIRED.—If the Secretary of Health and Human Services alters the list described in subsection (a) after the expiration of the 90-day period described in that subsection, then the Secretary shall submit to Congress a report containing—

- (1) an assessment of—
 - (A) the anticipated effect of such action on costs to United States public health care programs and entities, as well as to those operated by States and municipalities; and
 - (B) the anticipated costs to private insurers and health care providers of such action;
- (2) any findings regarding current immigration law submitted by the Attorney General under subsection (c);
- (3) a comparison of the anticipated health care costs associated with immigrants infected with HIV with the costs attributable to the entry of immigrants suffering from other serious health conditions which significantly impair the individual's ability to earn a living; and
- (4) an estimate of the costs associated with retention of the list described in subsection (a).

(c) STUDY AND REPORT.—(1) The Attorney General shall conduct a study of the following:

(A) The effectiveness of current provisions of the Immigration and Nationality Act in guarding against entry into the United States of persons likely to become a public charge and in deporting, during a 5-year period after such entry, those immigrants who do become public charges.

(B) The ability of the Immigration and Naturalization Service to apply and enforce such Act with regard to immigrants infected with potentially costly health conditions including, but not limited to, HIV.

(2) The Attorney General shall submit to the President, the Secretary of Health and Human Services, and the Congress a report setting forth the findings of the study conducted under paragraph (1) and including such recommendations as the Attorney General determines may be necessary for revision of current immigration law to ensure that immigrants with costly health conditions who are likely to become public charges will be excluded.

Mr. KENNEDY. Mr. President, what this amendment does is ensure that the list of communicable diseases of public health significance currently in effect shall remain in effect for at least 90 days after the enactment of the legislation—the passage of the NIH bill.

Further, this amendment directs the Secretary of HHS, if she decides to alter the list described after the 90-day period, to submit a report to the Con-

gress which responds to the cost concerns that have been raised. If she intends to modify the list she will submit to the Congress an assessment of the anticipated effect of such action on the cost to the U.S. public health care programs and entities, as well as those operated by the States and municipalities. This will provide us with a complete study by the Department of HHS of what the cost implications are going to be to our health care system. Second, the study will explore the anticipated cost to the private insurers and health care providers of any such action.

We have also included a comparison of the anticipated health care costs associated with immigrants infected with HIV and the costs attributable to immigrants suffering from other serious health conditions which significantly impair the individual's ability to earn a living.

We hear a good deal about costs. This is not just an HIV issue. We heard concern about the burden on the local health care systems. And we heard a little earlier about the burden on the Medicaid system.

You can pass the amendment of the Senator from Oklahoma, and it is not going to do much for the Medicaid system for reasons I will illustrate. No matter how many times that is stated here that the Nickles amendment addresses Medicaid costs, this is not true. As a matter of fact, if they had such concerns about all of the costs taking place out in local communities, why were we not talking about the costs of renal failure or cancer? We do not hear people talking about that. People with those conditions can come in here.

The immigration program involves the reunification of families.—That is what we are talking about, basically—how this exclusion separates families and denies asylum to true refugees. Those are the conditions we are talking about. We are talking about members of families. If they can have cancer, they may become a ward of the State. But that is OK, according to those supporting this amendment. Immigrants can have all kinds of other diseases. Well, we do not care if they will burden our local public health service. No, no. But the supporters of the Nickles amendment say they are out here to protect the taxpayer.

That is hogwash. All of us know what is happening out here. It is a similar kind of effort we saw last week in terms of gay bashing. We understand that.

We have, over the period of time of recent years, tried to bring this issue, this scourge, HIV, this epidemic that is taking place in our society, out of the political boardrooms and into the public health science boardrooms, and we have made some progress at different times.

Remember Mrs. Ryan White, who sat up there in the gallery, whose son died

of a bad blood transfusion. You found everybody in this Chamber very quiet at that moment. We said we will accept scientific information on that situation—because Ryan White died of AIDS, died of AIDS, that horrible disease, but as a result of a blood transfusion. She was sitting up there, and everybody was marching in and saying we can understand that. Science meant something then. Let us bring science into public policy, we said. And we made some progress on that.

Do you know what we did in 1990 in the Immigration Act? We said, let us make science and science policy the controlling and guiding factor in terms of excluding those individuals who have diseases that are going to pose a public health threat to American citizens. So we do so on tuberculosis. We do not permit even temporary visits of people with tuberculosis. We do not permit them to go to a science fair or a conference. We do not permit them to do the five things this amendment permits HIV people to do. Why? Because it is a public health service determination. That is what we should be interested in. If you or a member of your family have the danger of tuberculosis, you cannot come into the United States of America. At the time we passed the Immigration Act of 1990, we had a Republican President of the United States and a Republican Secretary of HHS, and we had a Republican Attorney General, and we said we will permit them to make the judgment of how to handle excludable diseases. But now the Senator from Oklahoma won't have it. We were prepared in 1990 to give a Republican President the same kind of authority they want to take away from our President. Why? Why do they want to do that? They had their own Secretary of HHS that had made the request on a sound scientific basis that HIV be removed from the list. A Republican appointee that said that this should not be on the list.

Now we say it was OK for one President to handle this issue, but, by God, we are not going to allow this new President to do it. We are not going to give him the same kind of authority we gave President Bush. We want to take that away.

There have been legitimate questions raised in terms of the impact on costs to local communities. It is interesting that after we hear the supporters of the Nickles amendment speak and we imagine that thousands of people will be coming in with AIDS. But medical tests found only 450 2 years ago; of the 700,000 immigrants, there were 450 of them with HIV and they were excluded. You have to take a blood test to immigrate to the United States. There were 450 who failed 2 years ago, and 600 last year. One-tenth of 1 percent.

But what the supporters of the Nickles amendment are saying—and we all know what they are saying here

today—is you have 268 black Haitians in Guantanamo Bay, 40 children and 2 have HIV, and 20 pregnant women. Many of them have been found to be in incredible fear of persecution or death if they go back to Haiti. The proponents of this amendment say, "Send them back. Send them back. We do not care."

It does not make much difference that somebody has HIV and come in here for 4 weeks and attends a conference and has not received any AIDS education. What kind of threat do they pose to the public health? They are not concerned about that. But send that black person back from Guantanamo Bay, even if she is pregnant. Let us get rid of this problem and not try to deal with something that is as important as this on the basis of science. Oh, no. Why, it is going to run up our Medicaid, Medicaid, Medicaid. All those poor people, many of them black, all those poor, sick people, let us get rid of them. Mr. President, we have heard it all on this floor. At least I have.

A point that is so interesting is that none of our friends on that side of the aisle point out when it comes to cost is that the Attorney General has the authority and power under the 1990 Immigration Act to make a determination that they are going to be a burden on the locality or the community or their State. And the Attorney General can send them back if they become public charges within the first 5 years. They never mentioned that. That point was never mentioned over there. The Attorney General has the authority and the responsibility and, under risk of not having conformed with the law, if he does not apply the public charge provisions. He has to do that. Has to do it. That is in the law at the present time. And he should conform and meet that responsibility if someone is going to be a public charge.

So, Mr. President, we have tried over a period of time to deal with this issue. We know that it is an issue which is of enormous concern to all Americans, as it should be. HIV is relatively new in our immigration history but we know a good deal about it. We are finding out more.

All you have to do is read the history of this country, and you find out that a number of years ago you could not work alongside a person that had cancer, because it was thought to be communicable. I doubt if there is a letter of the alphabet that is more terrifying than the letter C—cancer—for all Americans. Then we found out that it is not communicable in those ways. So what did we do? We adopted a scientific Public Health Service position on it.

The answer in this area, Mr. President, is what we have talked about before: education and other kinds of activity, to limit the spread of this disease. Education, communication, understanding, awareness is what we really need.

We had, not many years ago, epilepsy on the exclusion list. Regarding people that were epileptic, it was said, let us get them out. Basically, we did not understand them. They did not look good to us. We faced that same issue on the Americans With Disabilities Act, where people that owned restaurants said "keep the epileptics out. They have epilepsy and they scare our patrons, scare away our business." Well, we made progress on that issue. Why?

We have looked extensively at the public health aspects of it. We examined it, and thank God, we brought some rationality to it. On HIV issues, we ought to deal in ways, Mr. President, that include Republicans and Democrats alike. This is how we have always preferred to proceed.

We have the former Dr. James Mason, who served under the Republican administration as the Assistant Secretary of Health, who has wholeheartedly supported our position. I have his statements, and I will include them at the appropriate place in the RECORD.

I see others want to speak.

We have Dr. James Todd of the AMA. It is interesting to hear Senator NICKLES speak about where the AMA stands on this issue. I have a letter from Dr. Todd, President of the American Medical Association, that is dated February 12, also in support of our position.

Mr. President, I ask unanimous consent to have this letter printed in the RECORD, along with other letters from a whole series of public health experts.

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

[From the U.S. Department of Health and Human Services, Washington, DC, Jan. 25, 1991]

NEWS RELEASE
(By Don Berreth)

The Department of Health and Human Services today proposed that starting June 1 infectious tuberculosis would be the only communicable disease which would exclude foreign visitors, workers, refugees and immigrants.

The Immigration Act of 1990 eliminated the category of "dangerous contagious" diseases that have been listed as bars to travel and immigration. The act instructed the HHS secretary to develop a new list of "communicable diseases of public health significance" based on medical and scientific considerations alone.

The medical experts consulted agreed that infectious tuberculosis should be on the list but that the other seven conditions—leprosy and six sexually transmitted diseases, including HIV infection—should not be considered as medical reasons for barring people under the new law. A formal proposal reflecting that view was published in the Jan. 23 Federal Register for public comment.

A medical examination with chest x-ray would continue to be required for adult immigrants. Other requirements will remain in effect to ensure that immigrants or foreign workers in the United States have the financial resources or responsible sponsors so they do not become medical or welfare dependents.

Under the law, drug abusers and addicts and people who are likely to cause harm because of a history of such behavior associated with mental health conditions would be excluded. Regulations governing such aliens will be announced later.

Under existing regulations, the list of dangerous contagious diseases includes five sexually transmitted diseases—*infectious syphilis*, *gonorrhea*, *granuloma inguinale*, *lymphogranuloma venereum* and *chancroid*. HIV was added at the end of 1987 by Congress. *Infectious leprosy* and *active tuberculosis* round out the current list of eight.

The Centers for Disease Control, an agency of the Public Health Service within the Department of Health and Human Services, reviewed diseases in consultation with non-federal experts in infectious disease and public health and concluded that, from a public health standpoint, sexually transmitted diseases, including HIV infection, should not be on the list of excludable conditions.

HHS Assistant Secretary for Health James O. Mason, M.D., who heads the Public Health Service, endorsed the CDC's conclusions and forwarded them to HHS Secretary Louis W. Sullivan, M.D., who concurred. Dr. Sullivan said, "AIDS evokes an emotional response from many—and that's understandable—but we have been virtually the only major country to try to bar HIV-infected travelers. This policy will bring us in line with the best medical thinking, here and abroad."

In reaching their conclusions using the "communicable disease" definition of the new law, the medical experts agreed:

Sexually transmitted diseases, including HIV infection, are not spread by casual contact, through the air, or from food, water or other objects, nor will an infected person in a common public setting place another individual inadvertently or unwillingly at risk.

HIV infection is transmitted among adults in this country almost exclusively by two routes: sexual intercourse with an infected person, and sharing of contaminated injection equipment by injection drug users. The risk of (or protection from) HIV infection comes not from the nationality of the infected person, but from the specific behaviors that are practiced. The best defense against further spread of HIV infection, whether from a U.S. citizen or alien, is an educated population.

Leprosy (Hansen's disease) is spread only through prolonged contact with an infected person. Most imported cases occur in persons who do not manifest outward signs of the disease when they are medically screened abroad. Effective drugs are now available for treating this disease and suppressing its infectiousness. In recent years, management of patients with Hansen's disease has substantially changed from isolation from society to ambulatory treatment. There is a nationwide system in the United States to provide comprehensive care and treatment to persons diagnosed with Hansen's disease.

Infectious tuberculosis is proposed for inclusion on the list because the disease can be transmitted through the air, and an infectious person places others at risk through casual contact. The *tuberculosis bacillus* is carried in airborne particles that can be generated when persons with pulmonary or laryngeal tuberculosis sneeze, cough, speak or sing. The disease can be spread by normal air currents in a room, building or airplane.

The CDC and the non-federal experts were also asked if there should be any other communicable diseases on a list of excludable conditions, and they agreed that no other diseases should be added. However, the Pub-

lic Health Service, through the World Health Organization, maintains worldwide surveillance of communicable diseases and will add diseases to the list when necessary.

The comment period will close Feb. 22, 1991. Comments should be addressed to: Director, Division of Quarantine, Center for Prevention Services, Centers for Disease Control, Mail Stop E03, Atlanta, Ga. 30333.

DEPARTMENT OF HEALTH & HUMAN SERVICES, PUBLIC HEALTH SERVICE,

Washington, DC, March 14, 1990.

To: The Secretary.

From: Assistant Secretary for Health.

Subject: CDC Proposed Rule, 42 CFR Part 34, Medical Examination of Aliens—ACTION.

BACKGROUND

The Immigration and Nationality Act sets out medical grounds for exclusion of aliens; among these are the occurrence of a dangerous contagious disease. The Secretary of Health and Human Services normally specifies the particular diseases by regulation. Dangerous contagious diseases currently are defined as *chancroid*, *gonorrhea*, *granuloma inguinale*, *human immunodeficiency virus (HIV) infection*, *lymphogranuloma venereum*, *infectious syphilis*, *infectious leprosy*, and *active tuberculosis*. All except HIV infection were established by regulations promulgated by the Secretary. HIV infection was added to the regulations as required by section 518 of Public Law 100-71, the Supplemental Appropriations Act of 1987.

PROVISIONS OF PROPOSED REGULATIONS

This Notice of Proposed Rulemaking would modify 42 CFR Part 34.2(b), Medical Examination of Aliens, by deleting six of the eight currently listed diseases: *chancroid*; *gonorrhea*; *granuloma inguinale*; *lymphogranuloma venereum*; *syphilis*, *infectious stage*; and *infectious leprosy*. Aliens with these diseases can no longer be considered a public health threat to the United States. The proposal also changes "tuberculosis, active" to "infectious tuberculosis." Additionally, technical and conforming corrections are proposed in Section 34.4.

The sexually transmitted diseases proposed for deletion are not transmitted by casual contact, through the air, or from common vehicles (such as fomites, food, or water), nor will an infected person in a common or public setting place another individual inadvertently or unwillingly at risk. Rather, these diseases are primarily spread through voluntary exposure. Because HIV infection was added to the list of dangerous contagious diseases as mandated by Congress, we do not propose to delete it from the list in this NPRM. We are submitting a legislative proposal to repeal this provision so that we can delete HIV infection from the list as well.

Leprosy (Hansen's disease) is not highly contagious; the disease is spread through prolonged contact with an infected individual. The majority of imported cases occur in persons who do not manifest outward signs of the disease when they are medically screened abroad, but develop active disease after arriving in this country. Effective drugs are now available for treating this disease and for suppressing its infectiousness. In recent years, management of patients with Hansen's disease has substantially changed from isolation from society to ambulatory treatment. There is a nationwide system in the United States to provide comprehensive care and treatment for persons diagnosed with Hansen's disease.

We do propose to leave tuberculosis on the list. Unlike the other diseases on the list, tu-

berculosis can be transmitted through the air, and an infectious person can place others at risk through casual contact. Those found to have infectious tuberculosis should receive treatment until they are no longer infectious before they are allowed to travel to the United States. At that point, existing public health programs are capable of managing the relatively few who will require further treatment after arrival. We propose to change the term "tuberculosis, active" to "infectious tuberculosis" to correspond with modern medical terminology.

The proposal has been discussed with representatives of the American Medical Association (AMA), the American Public Health Association, a former Assistant Secretary for Health, the Association of State and Territorial Health Officials, CDC's Advisory Committee on the Elimination of Tuberculosis, CDC's Advisory Committee for the Prevention of HIV Infection, the Council of State and Territorial Epidemiologists, the Department of Defense, the National Association of County Health Officials, the National Commission on Acquired Immune Deficiency Syndrome, the National Medical Association, and the U.S. Conference of Local Health Officers.

All of those consulted have supported deleting from the list of dangerous contagious diseases *chancroid*, *gonorrhea*, *granuloma inguinale*, *HIV infection*, *infectious leprosy*, *lymphogranuloma venereum*, and *infectious syphilis*. All have supported the retention of *infectious (or active) tuberculosis*. The AMA favors HIV testing and counseling of immigrants as an important part of their medical record, but does not necessarily favor exclusion of those found positive.

REGULATORY FLEXIBILITY ANALYSIS

This proposed revision will not impact significantly on small entities; therefore, preparation of a regulatory flexibility analysis under the Regulatory Flexibility Act, Public Law 96-354, is not required.

REPORTING/RECORDKEEPING REQUIREMENTS

The proposed modifications under this part do not contain information collections which are subject to review by the Office of Management and Budget under section 3504(h) of the Paperwork Reduction Act of 1980.

CONSEQUENCES OF DISAPPROVAL

Disapproval may open the Department to criticism for failing to recognize that there is no public health value in continued screening for these medical conditions.

EXPECTATIONS

We anticipate objections to this NPRM by some who may consider that the importation of even one case of these diseases should not be allowed.

URGENCY

Due to the increasing concern of the public health community worldwide about our outdated policy for screening for these diseases, this NPRM should be published as soon as possible.

PRESS RELEASE

A press announcement will be developed.

RECOMMENDATION

I recommend that you sign the attached NPRM for publication in the Federal Register.

JAMES O. MASON, M.D., Dr.P.H.

ORGANIZATIONS SUPPORTING THE SECRETARY OF HHS'S AUTHORITY TO DETERMINE THE LIST OF COMMUNICABLE DISEASES OF PUBLIC HEALTH SIGNIFICANCE

AMERICAN MEDICAL ASSOCIATION,
Chicago, IL, February 15, 1993.

Re HIV and Immigration.
Hon. EDWARD M. KENNEDY,
U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: The issue of HIV and immigration is once again before the Congress and the Administration. The purpose of this letter is to offer you the American Medical Association's current views.

The Association consistently has supported the authority of the Public Health Service (PHS) to determine which diseases should trigger exclusion of foreign nationals. Federal law requires the PHS to base this determination on current epidemiological concepts and medical diagnostic standards.

The 1990 immigration reform law provides the federal authority for excluding those individuals likely to become public charges. Any medical condition serious enough to interfere with employment or that could result in burdensome medical expenses could trigger this type of exclusion. With proper enforcement, this provision addresses our concerns about HIV-infected foreign nationals seeking to immigrate.

Sincerely,

JAMES S. TODD, MD.,
Executive Vice President.

MIGRATION AND REFUGEE SERVICES,
NATIONAL OFFICE,
Washington, DC, February 16, 1993.

DEAR SENATOR: On behalf of several national organizations interested in immigration and refugee policy, I am sending the enclosed letter to express our strong support for removing HIV-infection from the list of diseases upon which individuals may be excluded from entering the United States.

We ask for your support in defeating any amendment that would overturn or interfere with the Department of Health and Human Service's authority to make this decision.

Thank you for your attention to this urgent issue.

Sincerely,

FR. RICHARD RYSCAVAGE, S.J.,
Executive Director.

Enclosure.

FEBRUARY 16, 1993.

Hon. EDWARD M. KENNEDY,
U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: We, the undersigned organizations, express our support for removing HIV-infection from the list of diseases upon which persons may be excluded from traveling to, immigrating to, or seeking refuge in the U.S. We understand that an effort may be made on the Senate floor to legislate a travel ban for HIV positive visitors, immigrants or refugees. We strongly oppose this effort. We urge you to vote against any amendment that would overturn or otherwise interfere with the Department of Health and Human Service's authority to make this decision based on current epidemiological principles and medical standards.

Two reasons are generally advanced for placing HIV-infection on the list of diseases warranting automatic exclusion from the U.S. First, is the communicable nature of the disease. The 101st Congress, through enactment of the Immigration Act of 1990, appropriately placed all questions related to health-related exclusions in the hands of federal health professionals. We concur with Congress' decision that technical health pol-

icy issues should be left to public health officials, and we agree with the Public Health Service that otherwise eligible applicants should not be denied immigration status solely because they are HIV-positive.

A second reason generally advanced is the unwarranted perception that HIV-positive immigrants will become a public charge because of the expense associated with treating this condition. In actuality, these economic concerns are already addressed in existing law. Under current law, all foreign visitors and immigrants must meet financial eligibility criteria. Anyone who does not is precluded from visiting or immigrating to the U.S.

We believe that current U.S. law adequately addresses both the medical and economic concerns on HIV-positive immigrants, and we strongly oppose efforts to make major changes in immigration and refugee law based on prejudice or ignorance. We urge you to support the Department of Health and Human Services on this important issue.

Sincerely,

American Council for Nationalities Service, Church World Service, American Immigration Lawyers Association, Ethiopian Community Development Council, Indochinese Resource Action Center, The Tolstoy Foundation, U.S. Committee for Refugees, Lutheran Immigration Refugee Service, United States Catholic Conference Migration and Refugee Services.

[From the National Commission on Acquired Immune Deficiency Syndrome, Washington, DC]

STATEMENT ON IMMIGRATION POLICY

The National Commission on AIDS commends the Administration's preliminary decision to remove HIV infection from the list of conditions which constitute grounds for excluding an individual from traveling or immigrating to the United States.

The U.S. Congress reaffirmed under the Immigration Act of 1990 (P.L. 101-649) that public health judgments on these issues are appropriately placed in the hands of the Secretary of Health and Human Services, hence, there is no need of further congressional action in this matter. Under the Act, Congress directed the Secretary to look to "current epidemiological principles and medical standards" in assessing the need to exclude immigrant applicants on the basis of illness or medical condition. Accordingly, the Public Health Service reexamined the list of diseases to be used for the purposes of exclusion. Of the eight diseases on the list, the Public Health Service determined that only infectious tuberculosis should be retained as it alone was transmissible through the air and by casual contact, and therefore a threat to the public health. The Commission urges that any proposed or final rule realign U.S. immigration policy with sound public health principles.

Under the Immigration Act of 1990, the Congress also reaffirmed the appropriateness of placing determinations related to economic burden in the hands of the Attorney General. It has been argued by some that HIV-infected individuals should be barred from immigration into the United States on the basis of the financial cost they will pose to the nation. It is a fact that immigration applicants who are HIV positive, like every other applicant, will be obliged to satisfy all other immigration requirements, including financial requirements. Public charge provisions of the Immigration and Nationality Act require all applicants for immigrant and

non-immigrant visas to demonstrate that they are not likely to become public charges. Anyone who does not do so is denied a visa and precluded from either visiting or immigrating to the United States. This is based on a "totality of circumstances" test which considers an applicant's health, financial resources, and their ability to earn a living in the future. As an added safeguard, the regulations provide that an alien who becomes a public charge within five years of entry be deported. Elimination of the exclusion based on HIV infection will in no way lessen these restrictions on individuals who wish to immigrate to the United States.

The Commission voices its deep distress over the encroachment, once again, of extraneous issues into a decision that should be science-based and focused solely on public health concerns. We must not allow arguments based on politics, misinformation, fear or discrimination to triumph. To do so is to betray the heart and integrity of the federal government's role in protecting and advancing the health of all its people. The desire of President Clinton and Secretary of Health and Human Services Shalala to base public health policy on sound science is unequivocally supported by the National Commission on AIDS.

ASSOCIATION OF STATE AND
TERRITORIAL HEALTH OFFICIALS,
Washington, DC, February 12, 1993.

President WILLIAM J. CLINTON,
Pennsylvania Ave., NW,
Washington, DC.

DEAR PRESIDENT CLINTON: I am writing on behalf of the Association of State and Territorial Health Officials (ASTHO), which represents the chief health officers of the 50 states, the District of Columbia and the U.S. territories, to express our strongest support for lifting the ban on HIV infected individuals seeking entry into the U.S.

Because HIV infection is not spread by casual contact and immigration of infected individuals does not pose a direct threat to the health or safety of the population, ASTHO continues to support removal of HIV infection from the list of communicable diseases of public health significance upon which U.S. travel and immigration can be denied. The public health and scientific community has overwhelmingly and repeatedly stressed the fact that restriction of immigration will neither protect the health of the American public, nor will it prevent or control the HIV epidemic. We urge you to use your action of lifting the immigration ban as an opportunity to truly educate the American public about the facts of HIV transmission.

In addition, ASTHO firmly believes that removing travel and immigration exclusions for HIV infected individuals is not principally an economic issue, as some are contending. Because the Immigration and Nationality Act continues to exclude persons who "are likely at any time to become public charges," concerns about HIV-infected persons immigrating and becoming wards of the state, are grossly exaggerated.

We applaud you for taking this strong stand based on science and we look forward to moving forward with the new Administration to address the real HIV prevention and treatment needs of individuals affected by this devastating epidemic.

Sincerely,

GEORGE K. DEGNON,
Executive Vice President.

AMERICAN PUBLIC
HEALTH ASSOCIATION,

Washington, DC, February 11, 1993.

DEAR SENATOR KENNEDY: The American Public Health Association (APHA), the world's oldest and largest association of public health professionals, supports the Clinton Administration's decision to end the immigration policy which bars HIV-infected persons from entering the United States.

APHA opposes the current immigration policy barring persons with communicable diseases (including syphilis, leprosy, gonorrhea, and HIV infection) from the United States in the absence of scientific evidence that such measures will protect the public's health. When such measures are likely to be protective, based on known mechanisms for disease transmission, we certainly support them. For example, we concur with Secretary Donna Shalala's decision to keep active tuberculosis on the list of excludable communicable diseases.

We cannot afford to send mixed messages about such a serious disease as HIV infection. The public is not at risk of HIV from casual contact with individuals with HIV infection or AIDS. As physicians and scientists concerned with the health of Americans, we must say so. Failure to change the immigration policy would do serious harm to the credibility and confidence we have all struggled to maintain during the HIV epidemic. It would especially erode confidence in the integrity of the U.S. Public Health Service. We can ill afford to cater to fear and discrimination.

We urge you to support this important public health policy.

Very truly yours,

WILLIAM H. MCBEATH, MD, MPH,

Executive Director.

AMERICAN BAR ASSOCIATION,

Washington, DC, February 12, 1993.

DEAR SENATOR: We understand that an amendment might be offered to S.1, the National Institutes of Health Revitalization Act of 1993, which would require the President to retain a travel ban on persons with the HIV virus. The American Bar Association opposes legislation that would require the President to exclude all HIV-infected travelers, refugees and immigrants from entering the United States.

In the Immigration Act of 1990, Congress directed the Secretary of Health and Human Services (HHS) to promulgate a new list of excludable "communicable diseases of public health significance," 8 U.S.C. §1182(a)(1)(A)(i), based solely on "current epidemiologic principles and medical standards." In so doing, Congress appropriately delegated responsibility for this health decision to the health experts, rather than the political branches. The national and international public health authorities, including former Secretary of Health and Human Services Dr. Louis Sullivan, concur that removing HIV from the list of diseases upon which persons may be barred from entering the U.S. will not endanger public health.

Moreover, the Immigration Act imposes numerous criteria that an individual must satisfy in order to be admitted to the United States. One of them requires that the applicant demonstrate that he or she is not "likely at any time to become a public charge." 8 U.S.C. §1182(a)(4).

Eliminating the HIV exclusion does not mean that any individual with HIV can enter the United States. It only means that a person who otherwise qualifies under the law will not be prevented entry solely on account of his or her HIV status.

The American Bar Association supports the Public Health Services's reconsideration of the current HIV ban and urges you to vote against any measure that would force the President to retain the current ban.

Sincerely,

ROBERT D. EVANS.

NATIONAL ORGANIZATIONS
RESPONDING TO AIDS,

Washington, DC, February 16, 1993.

Senator EDWARD KENNEDY,

U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: The undersigned members of the coalition National Organizations Responding to AIDS (NORA) write to support the action by the Department of Health and Human Services to lift the ban on HIV infected individuals seeking entry into the United States.

Virtually every public health organization in the U.S. and all public health officials including the former Secretary for Health and Human Services, Dr. Louis Sullivan, have stated that HIV infection should be removed from the list of communicable diseases of public health significance used to exclude aliens whose presence would threaten the public health.

As you may recall, as part of the Immigration Act of 1990 Congress charged the Public Health Service with determining the list of excludable diseases based on standard public health principles. Congress acted correctly in delegating responsibility for public health decisions to the chief public health authorities in our nation.

In the Immigration Act of 1990, Congress also affirmed that economic concerns are to be addressed through the Attorney General. All foreign visitors and immigrants must meet financial eligibility criteria to enter the United States. Under current law, immigrants and non-immigrants are subject to exclusion if they are "likely at any time to become a public charge." To determine public charge the INS looks at the aliens' physical and mental condition, as well as ability to earn a living and support themselves. An individual who becomes a "public charge" within five years of entry risks deportation.

Therefore, the economic impact of immigration policy is addressed by the public charge provision. Any decisions regarding public health are properly determined by the Public Health Service. We urge you to resist any attempt to direct specific actions that run counter to public health principles.

We support the President's desire to realign our immigration policy with sound public health and urge you to support the Public Health Service in lifting the ban on HIV infected individuals entering the United States for immigration purposes.

Sincerely,

AIDS Action Council.
AIDS National Interfaith Network.
American Civil Liberties Union.
American Foundation for AIDS Research.
American Friends Service Committee.
American Medical Student Association.
American Public Health Association.
Association of Schools of Public Health.
Association of State and Territorial Health Officials.
Broadway Cares/Equity Fights AIDS.
Center for Women Policy Studies.
Coalition for the Homeless.
Council of Jewish Federations.
Human Rights Campaign Fund.
Legal Action Center.
National Alliance of State and Territorial AIDS Directors.
National Association of Protection and Advocacy Systems.

National Association of Public Hospitals.
National Association of Social Workers.
National Catholic AIDS Network.
National Community AIDS Partnership.
National Education Association's Health Information Network.
National Healthcare for the Homeless Council.
National Hospice Organization.
National Native American AIDS Prevention Center.
National Puerto Rican Coalition.
National Women's Health Network.
Sex Information and Education Council of the U.S.
Therapeutic Communities of America.
UJA—Federation of Jewish Philanthropies of New York.

FEBRUARY 8, 1993.

President BILL CLINTON,
The White House, Washington, DC.

DEAR PRESIDENT CLINTON: The undersigned organizations represent a broad spectrum of public health organizations, HIV service providers, immigrant and refugee service providers, religious organizations, gay, lesbian and AIDS activist organizations, women's organizations and other national organizations. We commend your commitment to end the current exclusion and mandatory testing of immigrants and travelers with HIV and urge you to include this policy change as a priority for the first 100 days of your Administration by directing the Department of Health and Human Services to adopt as a final regulation the rule proposed in January 1991 that would establish the list of communicable diseases of public health significance. 56 Fed. Reg. 2484. It has been two years since this regulation was first proposed by then-Secretary of Health and Human Services Louis Sullivan, implementing the Congressional intent in enacting the Immigration Act of 1990 to revise the immigration exclusion list. There is no sound public health rationale to continue to delay the adoption of the January 1991 proposed regulation removing HIV and other diseases from the current exclusion list and ending the mandatory HIV testing of immigrants and refugees.

As direct service providers to persons subject to the HIV immigration exclusion, we can attest to the adverse consequences of this inhumane policy and the enormous hardship it imposes on our clients. For example, there are some applicants for legalization under the Immigration Reform and Control Act of 1986 that are still waiting for decisions on their waivers of exclusion, over five years after their applications were first submitted. All of these persons have resided in the United States for over ten years, have worked and paid taxes during that time, supporting themselves and their families and continuing to make economic and social contributions to their communities.

There are also many others who still remain ineligible to obtain lawful permanent residence solely because of their HIV status. Moreover, there is no monitoring of the accuracy or reliability of the mandatory HIV tests performed for immigrant purposes and no accountability for the lack of pre- and post-test counseling. Rather than providing any positive health education value, the exclusion policy has hindered our prevention education efforts in the immigrant and refugee communities by creating fear, mistrust and misunderstanding an prompting many seropositive immigrants to go underground.

The following experiences of individuals affected by the exclusion policy poignantly il-

illustrate its detrimental and counterproductive results (names used are pseudonyms):

José Ramos tested seropositive, but because he also had a severe skin rash, his civil surgeon who had never before counseled a seropositive person misdiagnosed him as having AIDS. José was extremely distraught and was fired from his job when his employer found out about the diagnosis. With no money and no place to live, he turned himself in to the Immigration and Naturalization Service so that they could send him back to his country. After an unsuccessful suicide attempt, he eventually obtained assistance of an advocate, who located appropriate referrals for his emotional, financial, health, legal and social service needs and who accompanied him to the hospital, where it was learned that he did not in fact have AIDS.

Tomás Santos was astounded that the civil surgeon who was administering his medical exam for his legalization application had charged him excessively, so he sought advice from a community agency. The paralegal opened the sealed envelope containing the report of the exam to determine the anomaly and discovered that he had tested seropositive. She asked Tomás if he knew about AIDS. "I have heard about it," he responded, somewhat unsure of himself. She then asked whether the doctor had told him anything about his health, and he responded that the doctor had mentioned that he had a virus, adding, "I know I have a virus. I had a cold last week."

Marie Auguste is a Haitian national who came to the U.S. in 1973. She worked to buy a home where she continues to reside. She married a U.S. citizen, but the marriage ended when she discovered that her husband was unfaithful and had infected her with HIV. She applied for temporary residence but was denied. Her frustration with the government's continued apathy towards her tragic situation has led her to depression. She has repeatedly told the agency that is assisting her that she does not understand what she has done that is so bad that the government must punish her so, when she has been a contributing, upstanding, taxpaying member of American society for 18 years.

A U.S. citizen woman is petitioning for her HIV positive husband who is currently residing in Spain. The U.S. consulate in Spain has informed them of their right to apply for a waiver, but has warned them that there is a very high probability that they will deny it. Minimally, the couple faces months of separation waiting for the consulate to adjudicate the waiver, and they are threatened with indefinite separation. When she was informed that you have stated that as President, you will lift the exclusion of HIV positive immigrants, she cried and said, "I have been waiting for someone to tell me that for a long time. That's the best piece of news I have heard in awhile. At least now I have some hope."

The revision of the immigration exclusion list has been endorsed by every major public health and medical association in the United States. Over a thousand participants of the VIII International Conference on AIDS (moved from Boston to Amsterdam due to the U.S. policy) signed on to a document condemning discriminatory HIV immigration policies. All these people and organizations know from experience that mandatory testing and HIV immigration restrictions deter effective prevention education and early intervention efforts and in fact may be contributing to the spread of the disease.

Accordingly, we urge you to take immediate action to end this inhumane restriction that has so direly affected the lives of so many immigrants and refugees and their U.S. citizen and permanent resident family members. Simple regulatory action by your Administration could implement this long overdue policy change.

Finally, we urge that when your administration acts on this issue, you speak personally and publicly against any mandatory HIV testing of immigrants and refugees and against any immigration exclusion of persons with HIV, here in the United States or anywhere around the world. We ask that you hold a press conference and include immigrants and refugees with HIV to talk about the devastating impact these discriminatory laws have had. The unfortunate example set by current U.S. policy has already encouraged other countries to pass similar counterproductive policies. A clear and forceful statement directly from you as President of the United States will send an unequivocal message to the world community that AIDS truly knows no borders and that discrimination against persons with HIV must not be tolerated. Thank you.

Sincerely,

The undersigned 200 organizations:
18th Street Services.

ACT-UP San Francisco.

ACT-UP/OKC.

ActionAIDS.

African American Immigration Service, Inc.

AIDS Action Committee of Massachusetts.

AIDS Action Council.

AIDS Action—Baltimore.

AIDS Benefits Counselors.

AIDS Bulletin Board Services.

AIDS Center—Strong Memorial Hospital.

AIDS Council of Northeastern New York.

AIDS Education & Resource Center/SAHP—

SUNY Stony Brook.

AIDS Health Care Foundation.

AIDS in Prison Project of the Correctional

Association of New York.

AIDS Interfaith Network of New Jersey.

AIDS Mental Health Project/Greenwich

House, Inc.

AIDS National Interfaith Network.

AIDS Project of Los Angeles.

AIDS Project of Contra Costa.

AIDS Rochester.

AIDS Service Center Lower Manhattan.

AIDS Services of Dallas.

AIDS Task Force—Philadelphia.

AIDS Treatment Data Network.

AIDS Treatment News.

AIDS Trust of Maryland (ATOM).

Alameda Health Consortium, Oakland,

California.

ALTAMED Health Services Corporation.

American Association on Mental Retarda-

tion.

American Civil Liberties Union of Illinois.

American Council for Nationalities Ser-

vice.

American Immigration Lawyers Associa-

tion—New York Chapter.

American Jewish Congress, Northern Pa-

cific Region.

American Medical Students Association.

American Psychiatric Association.

Asian AIDS Project.

Asian American Health Forum.

Asian American Recovery Services.

Asian and Pacific Islander Coalition on

HIV/AIDS, New York

Asian Health Services.

Asian Law Alliance.

Asian Pacific Legal Center of Southern

California.

Asian/Pacific AIDS Coalition.

Association of Asian/Pacific Community Health Organizations.

Association of Maternal and Child Health Programs.

Association of Performing Arts Presenters.

Bar Association of San Francisco.

Bay Area Haitian American Council.

Bay Area Physicians for Human rights.

Being Alive: People with HIV/AIDS Action

Coalition.

Bienestar Latino AIDS Project.

Big Island AIDS Project.

Black and White Men Together, Los Ange-

les.

Black Coalition on AIDS.

Body Positive.

Broadway Cares/Equity Fights AIDS.

Brooklyn Haitian Ralph and Good Shep-

herd.

Building Service 32B-J Legal Services

Fund.

California Association of AIDS Agencies.

California Council of Churches.

Caribbean Women's Health Association.

Catholic Charities Immigration and Refu-

gee Services.

Catholic Emergency Legal Aid for Hai-

tians—United States Catholic Conference.

Catholic Migration Office.

Center for Constitutional Rights.

Center for Population Options.

Central American Legal Assistance.

Central American Refugee Center, Hemp-

stead.

Central American Refugee Center, Los Ange-

les.

Church Alive Ministries.

City AIDS Office of Los Angeles.

Coalition for Humane Immigration Rights

of Los Angeles.

Coalition for Immigrant and Refugee

Rights and Services.

Colorado AIDS Project.

Community Consortium.

Community Health Project.

Continuum HIV Day Services.

Contra Costa County AIDS Program.

Council of Jewish Federations.

D.C. Care Consortium.

Dance/USA.

Early Advocacy and Care for HIV (EACH).

El Rescate.

Family Link

Filipino Task Force on AIDS—Northern

California.

Gay and Lesbian Latino AIDS Education

Initiative.

Gay Asian Pacific Alliance Community

HIV Project.

Gay Men's Health Crisis.

Gente Latina de Ambiente.

Haitian Americans United for Progress,

Cambria Heights.

Haitian Centers Council

Harvard AIDS Institute.

Harvey Milk Progressive Democratic Club.

Hawaii Governor's Committee on AIDS.

Health Education Resource Organization

(HERO).

Hellenic American Neighborhood Action

Center (HANAC).

Help Project/Samaritan Inc.

Helping People with AIDS, Inc., Rochester,

New York.

Hyacinth AIDS Foundation.

Immigrant Legal Resource Center.

In God's Love We Deliver.

Indiana HIV Advocacy Program.

Indochinese Community Center.

Institute for Radical Empowerment.

International Gay and Lesbian Human

Rights Commission.

International Institute of Boston.

International Institute, Los Angeles.
 International Institute, San Francisco.
 International Ladies Garment Workers
 Union Immigration Project.
 International Rescue Committee.
 Jews for Racial and Economic Justice.
 Kairos Support for Caregivers.
 La Red.
 Latino Lesbian/Gay Organization—LLEGO
 California.
 Law Offices of Anthony, Howison & Landis.
 Lawyers Committee for Civil Rights of the
 San Francisco Bay Area.
 Legal Action Center.
 Legal Aid Society of San Diego County.
 LIFEbeat, the Music Industry Organiza-
 tion to Fight AIDS.
 Lyon-Martin Women's Health Services.
 Metropolitan Community Church of New
 York City.
 Mexican American Legal Defense and Edu-
 cation Fund.
 Mobilization Against AIDS.
 Montefiore Medical Center Substance
 Abuse Treatment Program.
 Mother's Voices.
 Mujeres Project.
 Mujeres Unidas y Activas.
 National Association of Counties.
 National Association of Latin Elected and
 Appointed Officials (NALEO).
 National Association of Protection and Ad-
 vocacy Systems.
 National Catholic AIDS Network.
 National Coalition on the Homeless.
 National Community AIDS Partnership.
 National Council for International Health.
 National Gay and Lesbian Task Force.
 National Hemophilia Foundation.
 National Minority AIDS Council.
 National Organization for Women, Inc.—
 East End Chapter.
 National Puerto Rican Coalition.
 National Task Force on AIDS Prevention.
 National Urban League.
 National Women's Health Network.
 New Jersey State Nurses Association.
 New Mexico Association of People Living
 with AIDS.
 New York Association for New Americans.
 New York City Mayor's Office on Immi-
 grant Affairs.
 New York Immigration Coalition.
 New York Immigration Hotline/Travelers
 Aid Services.
 NO/AIDS Task Force.
 Nobiru-Kai Japanese Newcomers Service.
 North Broward Hospital District AIDS
 Services.
 NOW-NYC.
 Ontrack Incorporated.
 Pennsylvania Governor's Council for Sex-
 ual Minorities.
 People of Color Against AIDS Network, Se-
 attle.
 Physicians Association for AIDS Care.
 Polonians Organized to Minister to Our
 Community.
 Presbyterian Church (USA), Washington
 Office.
 Project Inform.
 Provincetown AIDS Support Group.
 Real Alternatives Program, San Francisco.
 Republicans for Individual Freedoms.
 San Francisco AIDS Foundation.
 San Francisco Department of Public
 Health.
 San Francisco Interreligious Coalition on
 AIDS.
 San Francisco Mayor Frank Jordan.
 San Francisco Medical Society.
 San Francisco Suicide Prevention.
 Santa Clara County Network for Immi-
 grant Rights and Services.

Sault Tribe Community Health Services.
 SF Department of Public Health Consulta-
 tion Education and Information Unit.
 Southern Tier AIDS Program, Inc.
 Southside Community Mission.
 St. Vincent's Hospital, AIDS Center.
 Texas AIDS Network.
 The Ark of Refuge.
 The Center for Women Policy Studies.
 The Committee for Children.
 The Hetrick-Martain Institute.
 The Indiana Community AIDS Action Net-
 work (ICAAN).
 The LIFE AIDS Lobby.
 The National Education Association's
 Health Information Network.
 The National Hospice Organization.
 The New York State Nurses' Association.
 The Sex Information and Education Coun-
 cil of the U.S. (SIECUS).
 Thursday's Child.
 Tri-City Health Services.
 United African Christian Council.
 United Jewish Appeal-Federation of Jewish
 Philanthropies of New York.
 United States Conference of Local Health
 Officers.
 United States Conference of Mayors.
 United Way Information and Referral Serv-
 ices, San Francisco.
 Upper Room AIDS Ministry.
 Visiting Nurse Association of Dade
 County.

JULY 23, 1991.

Mr. CHARLES R. MCCANCE,
 Director, Division of Quarantine, Center for
 Prevention Services, Centers for Disease
 Control, Atlanta, GA.

DEAR MR. MCCANCE: We the undersigned
 represent medical research scientists deeply
 concerned about the interim ruling effective
 June 1, 1991, regarding travelers and immi-
 grants infected with the human
 immunodeficiency virus (HIV). This interim
 ruling reinstates HIV infection on the list of
 "communicable diseases of public health sig-
 nificance," once again making HIV infection
 grounds for exclusion of immigrants and
 travelers to the United States. The interim
 rule reverses, for a 60-day period, the pro-
 posed regulation published by Health and
 Human Services Secretary Louis Sullivan,
 M.D., in the Federal Register on January 23,
 1991, which would have listed infectious tu-
 berculosis as the only disease warranting
 such exclusion. We write to endorse Dr. Sul-
 livan's proposed regulation of January 23,
 and hope to see it made law at the end of
 this 60 day waiting period.

The proposed regulation of January 23,
 1991, was a sound one, developed at the man-
 date of the Immigration Act of 1990 which
 called for Health and Human Services Sec-
 retary Sullivan to design regulations for the
 exclusion of immigrants and travelers
 "based on current epidemiologic principles
 and medical standards," excluding only
 those aliens with diseases that "constitute a
 public health threat to the United States."
 The January proposed regulation reflected
 what we as scientists and medical profes-
 sionals know perfectly well: that, unlike a
 person with active tuberculosis, a person
 with HIV cannot infect others through cas-
 ual contact. HIV is transmitted among
 adults in the United States almost exclu-
 sively via unprotected sexual intercourse
 and by the sharing of contaminated needles
 among injection drug users. U.S. citizens
 who choose to engage in these behaviors
 place themselves at risk of infection, and
 the continual willingness of our citizens to
 place themselves at such risk is a matter of great

concern. Attempting to prevent HIV infected
 foreigners from entering or residing in the
 United States, however, does not address
 this concern. Our citizens can only be pro-
 tected from HIV infection through com-
 prehensive HIV education.

By contrast, the interim ruling put into ef-
 fect on June 1, 1991, furthers misconceptions
 about HIV while failing to provide the Amer-
 ican public with one iota of added protection
 from the virus. The United States has one of
 the highest seroprevalence rates in the
 world. The notion that the threat of HIV
 comes from outside of the United States and
 can be avoided through exclusion of HIV in-
 fected immigrants and travelers is medically
 and epidemiologically incorrect and is a po-
 tential threat to the public health. The
 American public must understand that it can
 only protect itself from HIV infection by re-
 fraining from high risk behaviors.

While the interim ruling put into effect in
 June has no medical or epidemiologic basis,
 we understand that its tenets have been de-
 fended according to the question of "public
 charge," the concern that allowing HIV in-
 fected immigrants to become permanent
 residents of the United States will have a
 significant economic impact. While we are
 not lawyers, we do understand that existing
 immigration law already provides for exclu-
 sion of anyone who may become a public
 charge. This presumably explains why other
 diseases, such as chronic renal failure, that
 are equally if not more costly, are not by
 themselves grounds for exclusion from this
 country. Given these facts, we believe that a
 specific exclusion for HIV infection is unwar-
 ranted. We are made further comfortable in
 this belief by the public health consider-
 ations mentioned above and by the knowl-
 edge that many of the immigrants in ques-
 tion have been living, working and paying
 taxes in the United States for many years,
 and indeed often became infected in the
 United States. Thus we feel confident that
 the immigrants in question are not some
 sort of "medical freeloaders."

An additional area of concern to which we
 would like to draw your attention is that of
 the technical instructions provided by the
 Centers for Disease Control to medical per-
 sonnel who examine immigrants. It has come
 to our attention that these instructions
 have, as of June, 1991, been made more stringent.
 In addition to assessing an immigrant's
 present health and ability to care for him or
 herself, physicians are now required to give
 a specific assessment of an immigrant's future
 need for health care services. As medical
 professionals, we must point out that such
 judgments must necessarily be subjective
 and inaccurate. Moreover, the fact that such
 unreasonable instructions have been devel-
 oped at this time leads us to wonder whether
 these instructions may constitute an at-
 tempt at maintaining the exclusion of HIV
 infected immigrants in spite of all respon-
 sible arguments to the contrary. Certainly
 such instructions should not be in effect
 when the Public Health Service as a whole
 has yet to decide the exclusion issue.

The medically unjustified stance this na-
 tion has taken toward HIV infected immi-
 grants and travelers in the years since exclu-
 sion became law has been a source of great
 embarrassment to us in the international
 community. The U.S. policy is out of line
 with the World Health Organization which
 has specifically stated that the screening of
 international travelers cannot prevent the
 spread of HIV. Moreover we, the U.S. profes-
 sionals confronting the HIV/AIDS pandemic,
 are subject to boycotts from our inter-

national peers when seeking to hold international HIV/AIDS conferences in the United States.

We are all dedicated to stemming the HIV/AIDS epidemic, and it is out of this dedication that we write to you. We ask that you join us in taking a stance on this issue based on medical and epidemiologic truth, and not on distracting and potentially harmful misconceptions. We thank you for your thoughtful consideration of this important international and public health matter.

Sincerely,

Lowell S. Young, MD, Director, Kuzell Institute for Arthritis and Infectious Disease.

Gail L. Woods, MD, Assistant Professor, Medical College of Pennsylvania.

Flossie Wong-Staal, PhD, Professor of Medicine and Biology, University of California at San Diego.

James Allen Wiley, PhD, Assistant Director, Survey Research Center, University of California.

David J. Volsky, PhD, Associate Professor and Director, Molecular Virology Laboratory, St. Luke's-Roosevelt Hospital Center.

Barbara Visscher, MD, DPH, Professor of Epidemiology, UCLA School of Public Health.

Gwen Van Servellen, PhD, Associate Professor and Vice Chair, University of California at Los Angeles.

Wilfred G. Van Gorp, PhD, Assistant Professor, School of Medicine, University of California at Los Angeles.

Ernest F. Terwillinger, PhD, Instructor, Division of Human Retrovirology, Dana-Farber Cancer Institute.

Lydia Temoshok, PhD, Senior Scientist, HIV Research Clinic, Henry M. Jackson Foundation.

Mario Stevenson, PhD, Associate Professor, University of Nebraska Medical Center.

James L. Sorensen, PhD, Adjunct Professor, University of California at San Francisco.

Whajjen Soo, MD, PhD, Senior Director, Clinical Virology and AIDS Research, Hoffman-La Roche, Inc.

Frederick P. Siegal, MD, Section Head, Hematology Research, Long Island Jewish Medical Center.

Ganes C. Sen, PhD, Department of Molecular Biology, The Cleveland Clinic Foundation.

Ola A. Selnes, PhD, Assistant Professor, Johns Hopkins University School of Medicine.

Frederick P. Siegal, MD, Professor of Medicine, Albert Einstein College of Medicine.

Susan C.M. Scrimshaw, PhD, Professor of Community Health Sciences, UCLA School of Public Health.

Helen Scheitinger, MA, RN, 1623 Kennedy Place, NW., Washington, DC 20011.

Robert Turner Schooley, MD, Professor of Medicine, University of Colorado.

Frederick A. Schimtt, PhD, Director, Neuropsychology Service, University of Kentucky.

Alfred Joseph Saah, MD, Director, Infectious Disease Program, Johns Hopkins School of Hygiene and Public Health.

Craig A. Rosen, PhD, Chair, Scientific Advisory Committee, American Foundation for AIDS Research, Associate Member, Roche Institute of Molecular Biology.

Jack S. Remington, MD, Professor of Medicine, Stanford University School of Medicine.

Lee Ratner, MD, PhD, Assistant Professor, Washington University School of Medicine.

David T. Purtilo, MD, Professor and Chair, University of Nebraska Medical Center.

Alfred Meyer Prince, MD, Senior Investigator, Department of Virology, The Lindsay F. Kimball Research Institute.

William G. Powderly, MD, MRCPI, Assistant Professor, Washington University Department of Medicine.

Stephan R. Petteway, Director, Department of Anti-infectives, SmithKline Beecham.

Sidney Pestka, MD, Chairman and Professor, Robert Wood Johnson Medical School.

Thomas J. Palker, PhD, Associate Research Professor, Duke University Medical School.

Jay A. Nelson, PhD, Associate Member, Department of Immunology, Scripps Clinic and Research Foundation.

Nancy Elsa Mueller, ScD, Associate Professor, Harvard University School of Public Health.

Donna Mildvan, MD, Chief, Infectious Disease, Beth Israel Medical Center.

Craig E. Metroka, MD, PhD, Assistant Professor of Medicine, St. Luke's-Roosevelt Hospital Center.

Michael S. McGrath, MD, PhD, Assistant Professor, University of California at San Francisco.

Justin C. McArthur, MBBS, MPH, Assistant Professor, Johns Hopkins University School of Medicine.

Kenneth Hugh Mayer, MD, Director, Brown University AIDS Program.

Thomas James Matthews, PhD, Associate Professor, Duke University Medical Center.

Cliff Morrison, MS, MN, RN, Deputy Director, AIDS Health Service Program, University of California at San Francisco.

Philip I. Marcus, PhD, Professor of Molecular and Cell Biology, University of Connecticut.

H. Kim Lyerly, MD, Assistant Professor, Duke University Medical School.

Donald B. Louria, MD, Chairman and Professor, University of Medicine and Dentistry, New Jersey.

Norman Lee Letvin, MD, Associate Professor of Medicine, New England Regional Primate Research Center.

Tun-Hou Lee, DSc, Assistant Professor, Harvard School of Public Health.

Jeffrey Laurence, MD, Associate Professor of Medicine, Cornell University of Medical College.

Michael Lange, MD, Assistant Chief, Division of Infectious Disease and Epidemiology, St. Luke's-Roosevelt Hospital Center.

Jay A. Levy, MD, Professor of Medicine, University of California at San Francisco.

Stephen W. Lagakos, PhD, Professor, Department of Biostatistics, Harvard University School of Public Health.

Mathilde Krim, PhD, Founding Co-Chair, American Foundation for AIDS Research, Adjunct Professor of Public Health, Columbia University.

David E. Kanouse, PhD, Senior Social Scientist, The Rand Corporation.

William L. Holzemer, PhD, RN, Professor, School of Nursing, University of California at San Francisco.

David Ho, MD, Director, Aaron Diamond AIDS Research Center.

Jeffery Harris, MD, PhD, Professor, Department of Economics, Massachusetts Institute of Technology.

Sandra Rae Hernandez, MD, Director, AIDS Office, San Francisco Department of Health.

Robert K. Heaton, PhD, Professor of Psychiatry, University of California at San Diego.

William Haseltine, PhD, Chief, Laboratory of Biomedical Pharmacology, Dana-Farber Cancer Institute.

Jerome E. Gropman, MD, Chief, Division of Hematology/Oncology, New England Deaconess Hospital.

Stephan P. Goff, PhD, Professor, Columbia University College of Physicians and Surgeons.

Michael H. Grieco, MD, JD, Chief, Division of Allergy and Clinical Immunology, St. Luke's-Roosevelt Hospital Center.

Jonathan W.M. Gold, MD, Director, Department of Medicine, Bronx Lebanon Hospital.

Jacquelyn Flaskerud, PhD, Professor, School of Nursing, University of California at Los Angeles.

Harvey V. Fineberg, MD, PhD, Chair, Public Policy Committee, American Foundation for AIDS Research, Dean, Harvard School of Public Health.

Michael P. Eriksen, ScD, Anderson Cancer Center, University of Texas.

Gordon R. Dreesman, Scientific Director, Department of Virology and Immunology, Biotech Resources, Inc.

Ronald C. Desrosiers, PhD, Associate Professor, Harvard Medical School.

Don C. Des Jarlais, Deputy Director for AIDS Research, Narcotic and Drug Research, Inc.

John Delos DeLamater, PhD, Professor of Sociology, University of Wisconsin.

Victor Gerard DeGruttola, DSc, Assistant Professor, Harvard University School of Public Health.

Deborah Jean Cotton, MD, MPH, Clinical Director for AIDS, Harvard University School of Public Health.

David R. Cornblath, MD, Associate Professor, Johns Hopkins University School of Medicine.

Clarence Budd Colby, PhD, 15 Tullamore Place, Alameda, CA 94501.

Paul C. Cleary, PhD, Associate Professor, Harvard Medical School.

Richard Christie, PhD, Professor of Social Psychology, Columbia University.

Marcel Baluda, PhD, Professor, School of Medicine, University of California at Los Angeles.

John Francis Bunker, ScD, MHS, Director, Special Health Initiatives, The Wyatt Group.

Stephan L. Buckingham, MSSW, Director of Psychosocial Services, Pacific Oaks Medical Group.

Dani P. Bolognesi, PhD, James B. Duke Professor, Duke University Medical Center.

Corrado Baglioni, MD, Professor, State University of New York at Albany.

Peter S. Arno, PhD, Associate Professor of Health Economics, Albert Einstein College of Medicine.

Donald Armstrong, MD, Chief, Infectious Disease Services, Memorial Sloan-Kettering Cancer Center.

Warren A. Andiman, MD, Associate Professor of Pediatrics and Epidemiology, Yale University School of Medicine.

Jonathan Allan, DVM, Assistant Scientist, Southwest Foundation of Biomedical Research.

Arthur J. Ammann, MD, Chair, Science Policy Committee, American Foundation for AIDS Research, Director of Collaborative Research, Genentech, Inc.

Donald Abrams, MD, Associate Professor of Clinical Medicine, University of California at San Francisco.

(Mr. ROCKEFELLER assumed the chair.)

Mr. KENNEDY. What we ought to be focused on, Mr. President, and something that has been included in our amendment, is the burdens, if any, on

the health care system and on local communities, and admitting immigrants with serious medical conditions. It is a legitimate issue, and a question we ought to explore. And the Attorney General should certainly review current law and report back to us within 90 days. I personally believe that our laws are adequate to deal with these issues. We will seek more information, and Senators will have an opportunity to ultimately take whatever action they want to take should the administration move forward with regulatory action. They will have their chance.

The 90-day period we allow for in our amendment is a result of an inquiry with the Secretary of HHS as to how long it would take to complete this particular study. We are told that the 90-day period will suffice.

But I do not understand why we would want to take action that flies in the face of the best scientific information, as a means of responding to cost concerns. Some say, let us just take action. Let us just legislate HIV onto the exclusion list this afternoon. Let us try to get a hit in on the President of the United States this afternoon. Let us do it before prime time, so we can make the most of it. Let us do that so that when Members are coming out of the Chamber and the President is focusing on changing the direction of this country in terms of our economy, the reporters will say: Oh, yes; and how did you vote on the AIDS infected aliens? Politics as usual, on an issue that is as important to families, whether they know someone infected or affected by HIV, whether they are just concerned about their fellow human beings, or whether they are concerned about people whose skin may be a different color. They are rotting away down there—on an American base.

Hopefully, Mr. President, we will have support for the amendment which I have offered on behalf of myself and Senator MITCHELL, and against the Nickles amendment, and have an opportunity to responsibly address this issue.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, in response to my friend and colleague, Senator KENNEDY, I resent almost the undertone that this is a racist amendment, because it is not. My colleague mentioned the fact that there are 215 Haitians that are HIV positive waiting to come into this country, and how this amendment would prohibit that.

This amendment is written because we want to protect the health of Americans. This amendment is written because we want to protect the taxpayers. It was not written to discriminate against any race. It was written to protect health.

We now have laws on the books that prohibit bringing even fruit into this country because it might have a virus

or it might have a bug or it might have some kind of disease that might impact negatively the health of Americans. But we know that HIV is a deadly disease, and we know that if people continue their behavioral patterns of multiple sexual partners or exchanging needles, that it will kill more people.

So this is not a racist amendment, and I really resent the tone that was implied.

This is an amendment that says we are really concerned about this disease that already has infected a million Americans. A million Americans are going to die as a result of this disease. The CDC estimated in 1991—or they have confirmation of 31,000 deaths in 1991, and estimate 45,000 deaths in 1991, and almost 50,000 deaths in 1992. And that figure is only rising.

I might tell my colleague, if he wants to talk a little bit about health, the virus strain in our country is primarily HIV 1. It is not HIV 2, which has mostly been detected in other countries. It has spread primarily through the heterosexual community. And if it is introduced to this country, we are going to have an outbreak of AIDS that we have not seen yet. It is going to spread through this country and is going to kill countless thousands of Americans.

Now, my colleague from Massachusetts says: Wait a minute; why do we not do this for cancer? Why do we not do it for heart disease? Because these are not communicable diseases. I had cancer, but I do not think by having communications or relations with someone else, that heart disease and cancer can be communicated or transferred. It cannot. But AIDS can. And again, AIDS is deadly.

So when my colleague is saying: Well, we are less than compassionate because we are telling people from Haiti or other countries we do not want them to come into our country because they are HIV positive, it is not because of a lack of compassion. It is because we are trying to protect our country for the same reason we say we do not want to have other viruses come into our country, the same reason why we have food inspectors on our borders, the same reason why we really do try to protect the American people. That is why we invest so much at NIH. That is the reason we spend so much, on Medicaid.

It is not because we are not compassionate. We are compassionate. I do not think it is compassionate to open up a sign that says: Yes; come into the United States even if you have a contagious, infectious disease that can be transmitted throughout our population. I do not think it is compassionate to say: Come to America and Uncle Sam is going to take care of your medical expenses. I do not think that is compassionate to be putting that kind of burden on taxpayers in the future. I do not think that it is com-

passionate, allowing AIDS to continue to spread and kill more Americans. I do not see anything compassionate whatsoever about that.

I would have never even thought about skin color until the Senator from Massachusetts made that statement. I had in my statement, in my facts, that there are 215 Haitian refugees that are HIV positive that are waiting to come into this country. They are refugees when they come into this country. They are automatically eligible for Medicaid. I do not know if my colleagues know that, but refugees, when they come in and seek asylum in the United States, are automatically eligible for welfare packages including Medicaid. I did not realize that until recently.

I am just saying I am concerned about the cost. That is 215 people. I have heard reports that in Haiti alone, the HIV population may range as much as 11 percent, and that is a tragedy. And I know President Clinton was originally talking about allowing a lot more Haitians to come into the United States. I did not realize that that significant a percentage of their population might be HIV positive. But that could really spread the disease throughout the United States. I do not think it would be very prudent on our part if we allow that to happen.

Again, I mentioned HIV 2 is not really prevalent in this country. HIV 2 is prevalent in many other countries, maybe in countries where people have a different color skin. I have not paid that much attention to skin color. But I am concerned about it being transmitted throughout the heterosexual community, and the lives that it may cost our country, and the dollars it will put on an already overburdened health care system.

I make mention to my friend and colleague from Massachusetts that I hope when we debate this—and we obviously have a difference of opinion on this issue. But the reason why we talked about this disease is because it is a communicable disease; it can be spread. It is spread by having multiple sexual partners, and it is spread through IV, or intravenous, use of drugs. That is in 90-some percent of the cases who are HIV positive or have the AIDS virus.

I wish people did not have this dreadful disease. I wish we could stop this dreadful disease. I hope that we will find a cure for this dreadful disease.

But I think it would be a serious mistake for us to be saying: "No, people can come."

We have now 700,000 immigrants coming into the country every year. We now have restrictions. The Senator from Massachusetts said, well, it was 400 one year and 600 the next year. We change that policy and that number is going to explode. I do not know how many more it will be, but there are a

lot of people that would much rather be in the United States than some other country for their health care.

So that number will grow and will grow significantly and it will cost lives in this country and it will cost millions and millions of dollars.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I want to thank our colleague from Oklahoma for offering his amendment.

His amendment is a pretty simple amendment. It simply says that existing policy concerning the prohibition on immigrants coming into this country who are infected with the AIDS virus will be a matter of statute. And if after study and deliberation the President decides to stay with his policy of changing that existing policy, he would have to offer a proposal to Congress, it would have to be debated, and it would then have to be enacted into law.

What the Senator from Massachusetts proposes is that we just have a moratorium, when the President has already announced the policy. And when the period of study has passed, the President can then act unilaterally, unless we can override the President and override his veto.

So, basically, the debate here is about whether or not the burden of proof ought to be on the President if he wants to lift the ban on AIDS-infected immigrants.

Now, what I would like to do is look at this from the point of view of the public's interest, and I would like to begin with the immigration policy of this country.

We have an immigration policy—thanks, in part, to the distinguished Senator from Massachusetts, because I voted for that immigration bill—that seeks to set a policy to allow legal immigration based on who can help America.

In fact, on the bill cosponsored by our dear colleague from Massachusetts—a bill that is one of the most enlightened policies in terms of immigration to be adopted in the history of the country—we decided that with 7.2 million people waiting to come to America, knowing that they cannot all come here, that what we ought to set out a policy to determine that who is coming is in the interest of the people that are already here.

So we now have as the law of the land a policy that says if people have skills or education or talent that we as a Nation deem to be of great value, we give them preference in coming into the country. That is the policy under which we operate, recognizing, that until we can take the American dream to the world, they cannot all come here to find it.

So, we set out with an immigration policy to improve our country and to bring people here who can work, who

can contribute, and who can make us richer, freer, and happier.

Now the President comes along and says, let us change that policy and let us allow immigrants to come into the country who are infected with the AIDS virus.

Mr. President, the problem is that as compassionate as it may be to say, "Well, let them come in," we are looking at medical expenses of up to \$100,000 per person.

We have 37 million people who are not covered by health insurance. We have Americans now who cannot afford to get health care in their own country. What kind of logic is it that we should be bringing people who are sick from other countries into our country to pay their medical bills when we cannot pay the medical bills of our own people?

I believe in compassion, but I believe two points are important: First, compassion is what you do with your money, not what you do with the taxpayers' money; and second, compassion ought to begin at home.

Mr. President, the reason we have offered this amendment is because we do not think it makes sense that when there are exploding medical costs in America, and when there are 37 million people who have uncovered expenses and who do not have health insurance of any form, to be bringing people in that we know are going to have full-blown AIDS, and their expenses are going to run \$100,000 each, and most of them are going to become wards of the State, and we are going to end up paying those bills, I do not think that is a rational policy.

And the reason we offered the amendment is not that Bill Clinton is a Democrat, whereas George Bush was a Republican. If President Bush had sought to change this policy, we would have still offered this amendment, because it would have been a policy that was a mistake, a policy that was expensive, and a policy that denied Americans benefits that they do not now have to provide benefits to people from other countries.

So our basic position is this: If you want the President to have the ability to allow AIDS-infected immigrants to come into the country and impose a \$100,000 per person cost on the American taxpayer, then you want to vote against this amendment and you want to vote for the amendment of the distinguished Senator from Massachusetts.

If, on the other hand, you believe that the President, having instituted this policy, probably should not be trusted to act unilaterally and, as stewards of the people who elected us, that we ought to require in statute that the current policy will be in place until it is changed by law, then we are going to want to vote against the amendment of the distinguished Sen-

ator from Massachusetts and we are going to vote for the amendment of the distinguished Senator from Oklahoma.

I have no doubt in my mind that the American people are in no way confused on this issue. I believe the American people, in overwhelming numbers, support the amendment of the distinguished Senator from Oklahoma.

I urge my colleagues to vote for that amendment, and I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER (Mr. LAUTENBERG). The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, with all respect to my friend and colleague from Texas, we have 700,000 legitimate immigrants; 550,000 of those are family members, the other 150,000 are nonfamily members. Three-quarters of those are already here in the United States; three-quarters of them.

We have 300,000 people a year that are pouring across that border down across Texas and by boat to other parts of the country. Many of them are endangering the American population. They are a much greater and more legitimate issue than thinking we have really done something in the U.S. Senate by legislating a restriction on the basis of HIV status.

I mean, we can all, no matter how this comes out, go back and beat our chests that we have really done something to protect the American people from HIV. It is simply not so. Many of these immigrants are already living here. Most of them probably contracted the AIDS virus while in the United States.

I mean, this is wonderful. Now that they have contracted the virus we decide to deport them. What do you think they are going to do? They are going to go underground. They are not going to go for treatment or care. They are going underground, not coming forward for counseling and education, and are therefore putting a greater risk to the American population.

I mean, let us get serious about this. This idea that all of a sudden people are going to pour through our door that have HIV. That is just not the case. At least, if we are going to talk about immigration because the basis of immigration is reunification of families—that is 80 percent of it—and the others are special skills; 75 percent are already in this country. Of the immigrants we have tested, less than 1 percent have tested positive.

So while you may say you are doing something to protect the public health, you are driving people underground. By not dealing with this issue in the way the public health community believes it should be dealt with, through education, knowledge, and awareness, we are endangering the lives of Americans. That is what we may do here today if we are not careful.

As any person, seriously involved in public health, and they will say, that

once you make it clear that seeking help will lead to discrimination—you drive this whole disease underground, and put people with HIV and the American public at large, at far greater risk.

And we have talked about the financial aspects of this earlier, in terms of existing law. And the Attorney General said if an individual is going to be a ward on the State, they are not coming in. They are not permitted to do so now.

So, Mr. President, I would hope that on the basic issue of the cost, and Attorney General's authority, we are going to get more information, we are going to direct a study, we are going to make that available and then, if the administration makes regulatory changes that some in this body do not approve of, they can always take action then.

But, Mr. President, listening to my friend talk about the burden of proof, the statute says that determinations will be decided by HHS and by the Attorney General.

That is what the statute says. But their amendment says we are going to change the statute, and turn back the clock on the Immigration Act of 1990.

What we are saying is let us get the information which should be available to the Members prior to taking such action. That is what we want to do. Then, if the Senate wants to take action, it will do it but it will be on the basis of information and intelligence and not ideology.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, let me adjust my hearing aid. It could not accommodate the decibels of the Senator from Massachusetts.

Let us get straight about what the situation is here today. From the moment the Senate convened this morning, aside from some morning business, there have been two amendments—one of them was withdrawn—and the other one was never offered and instead it became a colloquy between two or three Senators.

Let us examine parliamentarily what is afoot here.

The determination was made earlier that there would be no vote on this issue today. So just like in basketball, before they put in the time clock, the other side has run out the clock. A proposal was made that we would begin debate about 2 or 2:15 and I said that will be fine with me if we debate 4 hours, just so we begin voting at 5:30.

One Senator had to go down to the White House. Another Senator had to do something else. But the effort to prevent a vote on this issue has worked. Furthermore, for the edification of anybody who is not totally familiar with the Senate rules, the majority party controls which Senator will be recognized. That has everything to do with who is enabled to put a sec-

ond-degree amendment on a first-degree amendment thereby ensuring an up or down vote. No Republican is allowed to preside over the U.S. Senate. So the issue to recognition rests solely with one party, the party that does not want this issue to be voted on at all, and certainly not this day.

I have deferred to my colleagues on this side. Maybe it is a little bit of Tom Sawyer in me. I like to see the younger fellows paint the fence, and they are doing a great job of it, and I am grateful to them. But I have been the progenitor and father figure on this amendment for about 7 years.

By the way, Mr. President, at this point will the clerk give you a list of the cosponsors of the Nickles amendment?

Mr. NICKLES. Will the Senator yield just for a moment?

Mr. HELMS. Yes, sir.

Mr. NICKLES. Before you do that, I ask unanimous consent that Senator ROTH and Senator MURKOWSKI be added as cosponsors.

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

Mr. HELMS. I would like at this point in the RECORD to have the list of Senators read into the RECORD.

The PRESIDING OFFICER. The clerk will report.

The clerk is compiling the list.

Mr. HELMS. I thank the Chair.

The PRESIDING OFFICER. The Chair informs the distinguished Senator from North Carolina that the clerks would not have the list here at the table. It was sent down to the recording clerk as soon as they have it. However, it is in the RECORD.

Mr. HELMS. Suppose I proceed and if the Chair will wave to me, we will put it in the RECORD at that point.

I thank the Chair for his courtesy.

What Senator NICKLES and all of his fellow cosponsors seek to do, is to put Senators on record once again as to whether they believe that AIDS carriers should be allowed unchallenged entry into this country and unlimited access to our already overburdened health care system. This amendment, that is to say the underlying amendment—returns AIDS to the list of diseases for which an alien may be excluded from entry into America.

Mr. President, I had reached the conclusion that every possible concession had already been made to the AIDS lobby and to the homosexual rights movement which feeds it. But the Clinton administration's kowtowing to this arrogant and repugnant political group is beyond belief.

As we know, the President is currently waging war on the Armed Forces. He is pushing ahead with plans to reshape the military to make it satisfactory to the organization known as ACT UP and another organization known as Queer Nation. Yet that is not enough for the activists who poured

millions of dollars into Mr. Clinton's campaign.

Incredibly, the President is now in the process of throwing open this Nation's doors to AIDS-infected immigrants from around the world.

Who can blame those Americans who feel that this President, after breaking promise after promise, has made clear that about the only citizens who need show up to collect their campaign IOU's are the radicals in the organized homosexual movement.

The public health agenda of America has been torn apart by an AIDS lobby which promotes special rights rather than public safety. Everyday some Senator gets on this floor and cries that we are in an AIDS emergency, that AIDS is everywhere, and that this disease will bankrupt our hospitals. If we are in the middle of such a national health emergency, why would anyone want to throw open the floodgates to immigrants who will overwhelm a health system that supposedly is on the verge of collapsing?

This is the kind of thing that I discussed back in 1987 when I offered the first legislation to close the doors on unregulated immigration.

I have in hand the Congressional Quarterly Almanac, which says, "In 1987 Senator JESSE HELMS persuaded Congress to take the unusual step of adding the AIDS virus—by law—to a list of 'dangerous contagious diseases' that were grounds for exclusion from the United States."

Then the article quotes me as saying, "Other countries are trying to stop the import of the AIDS virus. They do not want it to come into their country, and neither should we."

But, "with barely a murmur of dissent, the Senate adopted his amendment 96 to 0 and the House accepted the provision as part of a 1987 supplemental appropriations bill, Public Law 100-71"—and so forth.

Then an interesting thing happened. There was a bit of collusion with a Senator on this side of the aisle and the distinguished Senator from Massachusetts.

On the last night of the Senate session in 1990, what do you know? Without any consultation nor any warning, a little provision was slipped in that rendered nugatory the 1987 Helms amendment. I will not go into all that happened, but fortunately, the Secretary of Health and Human Services decided not to take advantage or to utilize that little legislative switch that occurred about midnight that night.

These AIDS activists are not satisfied with receiving merely fair treatment. They are constantly demanding special legal privileges and priority funding for their own specific programs. AIDS already consumes about 38 percent of every Federal dollar spent on treatment, education and research

and it receives an exemption from established public health measures designed to combat all other sexually transmitted diseases.

As I said earlier, the history of this amendment dates back to June 2, 1987, when the Senate voted 96 to 0 to protect the health of the American people, and that is what this is all about. Senator LOTT is right. Senator NICKLES is right. We are trying to protect the health of the American people and also prevent another raid on the U.S. Treasury.

In 1987, the Senate unanimously approved this AIDS immigration amendment because it was and is good public health policy. I recall that I offered the amendment on the recommendation of the then U.S. Surgeon General C. Everett Koop. I agreed with General Koop then, as did every other Senator, liberals and conservatives, Republicans and Democrats, that the public health would be at risk if immigrants with AIDS continued to flow into the United States.

The Bush administration, I am sad to say, and the Congress later attempted to appease AIDS activists in 1990 by creating a special immigration waiver. Under this waiver, people may enter the United States to attend medical conferences, receive medical treatment, or visit family members. However, the infected individuals must answer questions about their medical condition, including whether they are infected with HIV. But even that didn't satisfy the activists. They claimed that America is stigmatizing homosexuals. I would submit, Mr. President, that they are stigmatizing themselves. They claim that everyone should be allowed into this country without disclosing his or her medical condition. I disagree. They pressured the Congress to give the Secretary of Health and Human Services the discretion to take AIDS off the list of excludable diseases. Congress caved in, but fortunately the Justice Department refused to give in to these activists and prevented the HHS Secretary from removing AIDS from the list of excludable diseases.

Let us get down to brass tacks, and I will wind up. The delegates of the American Medical Association support the original Helms amendment and, of course, the Nickles amendment today. I read recently, in fact, certain officials of the American Medical Association support the Clinton administration's proposal to lift the ban on AIDS carriers, but to put the record straight, it should be made clear that the policy of the AMA's governing body is clearly stated in a resolution of 1990, which has not been altered.

Let me read it:

Immigrants have historically undergone a health assessment before entering into the citizenship process. To exclude HIV infection from the health assessment of those seeking United States citizenship would be a change

in longstanding U.S. policy and difficult to justify on medical, scientific or economic grounds.

The delegates of the American Medical Association agree the amendment of 1987, offered by this Senator, is sound policy and it has been working.

Dr. Roy Schwarz, head of the AMA task force, denounced the proposed change in immigration policy. Last week, Dr. Schwarz said that the Clinton administration policy—and let us use his words—"doesn't make any sense * * * we simply cannot afford this policy, we don't need anymore AIDS patients, there isn't enough money to care for U.S. AIDS patients and they're," meaning the Clinton administration, "talking about capping rising health care costs."

The distinguished Republican leader, BOB DOLE, in a February 10 letter to the Secretary of HHS went Dr. Schwarz a step further. Senator DOLE wrote:

I fail to see how bringing more people infected with AIDS into America will in any way contribute to the health and safety of the American public. It seems to me we have more than enough health care problems without adding to the crisis. The 300,000 experts at the American Medical Association also oppose changing this policy.

And then Senator DOLE added:

In addition, it appears that the current policy provision allowing infected aliens waivers for short-term visits for humanitarian purposes is reasonable and adequate.

Senator DOLE concluded:

Unless you believe we have the AIDS crisis under control, I would advise you to resist this potentially explosive policy change * * * an executive order overturning current policy would likely precipitate congressional action to safeguard the financial and physical health of the American taxpayer.

And as usual, BOB DOLE is right on target.

Mr. President, AIDS activists disingenuously argue that allowing infected people into the country will not cost us anything. If you believe that, there is a little piece of land down in eastern North Carolina under water that I want to sell to you.

As has been mentioned, there are currently about 300 Haitians with AIDS sitting at Guantanamo Bay right this minute. They are waiting for President Clinton to keep his promise to open up the doors to Haitian immigration. I've heard that the Immigration Service estimates that if Mr. Clinton gets his wish, we could receive more than 100,000 immigrants from that country.

How many AIDS carriers are we talking about? Nobody knows for sure, but the World Health Organization says that almost 15 percent of the Haitian population—15 percent—has AIDS. Are we looking at the prospects of letting thousands into America with this disease?

Before I conclude, I think I should mention one other issue created by the potential admission of Haitians with AIDS. The Haitians at the naval base

in Cuba would have been admitted to the country long ago but for the original 1987 amendment offered by the Senator and enacted unanimously by Senators present.

You see they are not applying for immigration through normal channels. This administration obviously considers Haitians to be political refugees. But under the law anyone granted refugee status is automatically given welfare, and as DON NICKLES, PHIL GRAMM, and others have already said, that includes Medicaid and AFDC and other support funds on down the line.

Now, estimates for the average cost of caring for an AIDS patient range from \$102,000, according to HHS, to \$200,000, according to a study done for the Department of Defense. And if we allow the 300 or so AIDS-infected refugees at Guantanamo entry we are looking at a potential cost to the taxpayers of \$20 million in medical bills alone, and that is just the tip of the iceberg. That is what PHIL GRAMM was talking about, that is what DON NICKLES was talking about, and that is what I am talking about. If we open the doors to thousands in Haiti infected with the virus, the American taxpayers are surely to be stuck with billions in medical costs.

Now, let us talk about the original Helms amendment which in effect is still operative. It is screening between 500 to 1,000 people a year who would otherwise have entered the country with AIDS. Some of those stopped had the HIV 2 virus, which is not yet found in this country.

So, Mr. President, the Senate has a decision to make. There may be some parliamentary agreements. But one way or another, the American people are entitled to know how their respective Senators stand on this issue. And as far as I am concerned, that is the purpose of bringing it up. The existing immigration law works for the good of all of the American people, and it must not be treated like a special-interest football to be kicked around at the whim and caprice of any militant group and its apologists on either end of Pennsylvania Avenue. I intend to do everything I can to see that the AIDS immigration prohibition remains in place, and I truly hope that the Senate will approve the Nickles-Dole-Helms amendment.

Mr. NICKLES. Will the Senator yield?

Mrs. BOXER addressed the Chair.

Mr. NICKLES. If the Senator will yield for a question.

Mr. HELMS. Surely.

Mr. NICKLES. One, I wish to compliment Senator HELMS because, as he mentioned in his statement—and it was an excellent statement—in 1987 we passed an amendment that prohibited people from emigrating to the United States who were HIV positive and that was the law of the land actually for, I

think, about 2½ years. As a result of that amendment, he saved some American lives and he saved a lot of tax dollars, and I thank the Senator for that. I also thank the Senator for his statement as well.

I guess my question would be to the Senator, with this issue that some people have alleged is discriminatory or anything else, it is the Senator's opinion that the reason we bring this issue to the floor today is not because we initiated anything, but it was brought to the floor because President Clinton has announced that he wants to change existing policy, and that, in the Senator's opinion, will cost lives and cost the taxpayers a lot of dollars?

Mr. HELMS. The Senator is unquestionably correct, and I thank him for his kind words and his efforts to put teeth back into the legislation this Senator offered in 1987.

Mr. President, I yield the floor.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. BOXER. I thank the Chair, and I rise in support of the amendment offered by the Senator from Massachusetts, Senator KENNEDY, to the amendment offered by the Senator from Oklahoma.

The current debate over the issue of HIV disease and immigration makes clear to me the wisdom of the Congress when it enacted the Immigration Act of 1990. In that act, Congress acted wisely. It chose to make the decisions regarding immigration not based on what politicians think but put them where they rightfully belong, in the able hands of our public health officials.

Mr. President, that is really the key point here. This debate reveals once again how easily this issue becomes distorted by politics. AIDS is an illness, Mr. President, and we must not allow it to become yet another political football to divide this country.

Now, I was not elected to be a physician, and I do not think that my good colleague from Oklahoma was sent here because he is a physician, or my colleague from North Carolina was not sent here to be a physician. We were all sent here, Mr. President, to be Senators and, of course, in that responsibility to look out for the health and the safety and the welfare of all our people.

Now, how do you do that as a Senator of the United States of America? Mr. President, in order for me to do that for the people of the largest State of the Union, California, I must rely not on politicians but on public health officials. We do not want to rely on politicians when we deal with health issues because they just might try to make political points based on fear and division in the politics of hate. We cannot allow that.

The first national public health official to speak against the policy offered

by the distinguished Senator from Oklahoma was Dr. Louis Sullivan, and I think it is very important, Mr. President, to point out to my friend from Oklahoma that Dr. Sullivan was appointed by a Republican President. Now we have a new head of HHS, Donna Shalala, appointed by a Democratic President, and she proposes, Mr. President, an approach nearly identical—as a matter of fact, actually identical—to the recommendations of Dr. Sullivan made to President Bush 2 years ago. So here we have a Republican President, George Bush, appointing Dr. Louis Sullivan, and lo and behold, we have identical policies put forward by Dr. Sullivan and by Donna Shalala.

But here we go again, politics over the expert advice of both our national public health officials and health departments and agencies from across this Nation. Now, this is judgment that we as taxpayers pay for. They work for us, to give us their opinions based on science and fact, not on bigotry or hatred or politics or who is going to score a point here tonight on the eve of the State of the Union Address. Their judgment is based on decades of experience, and I think these public health officials should be respected.

Now, I do not know anyone in this esteemed body, which I respect so much, who is a physician. I did serve in the House of Representatives, and there were two physicians there, one categorized politically as a liberal from Washington State, one categorized as a Southerner who served as a Democrat. And both of those physicians, Mr. President, supported Dr. Louis Sullivan, supported and spoke out against the politics of hate and fear.

I want to talk about the notion that the people who may be let into this country can become wards of the State. The proponents of the Nickles amendment have stated that this is an absolute certainty.

I want to set aside the issue we face with the Haitian refugees because that is a very unusual situation that has to be dealt with. But under current immigration laws, immigrants and visitors are subjected to exclusion, meaning they cannot come into this country if they are, and I am quoting from the law, "likely at any time to become a public charge." Let me repeat that. Under the current law that is supported by our President, Bill Clinton, and by his Secretary of HHS, immigrants and visitors are subjected to exclusion from this country if they are "likely at any time to become a public charge."

Thus if cost is really the issue here, it is addressed by the public charge provision of the existing law, and that law is enforced by the attorney general.

In addition, Mr. President, all foreign visitors and immigrants must meet de-

tailed financial eligibility criteria and anyone who does not meet those criteria is precluded from visiting or immigrating to the United States of America.

The policy put forward by Senator NICKLES and Senator HELMS and others has also been a barrier to the international exchange of information, particularly regarding HIV. HIV-positive delegates to the 1990 International Conference on AIDS in San Francisco who wanted to share their experience, their wisdom, their ideas, their research, risked being turned away at the borders. Because of that incident, Mr. President, physicians from all over the world condemned that approach that has been put forward here today by our good friends, Senators NICKLES, HELMS, and others. It is not small groups or political activities that condemn this policy. Mainstream physicians, and health care workers in this country, and all over the world condemn that policy.

I would like to ask my colleagues to note that if Spain has the same policy as that being put forward here by Senator NICKLES and others, Magic Johnson would never have gotten to play basketball for the United States at the 1992 Summer Olympics.

So, Mr. President, in conclusion, I find it sad that we will take a public health issue and turn it into a political football. But that has been before with this issue and it will be done again. The Kennedy amendment is a very sensible one. It leaves the law basically as it is, and that law protects us. It gives public health officials the responsibility to protect our health. That is their job. And it gives the Attorney General the responsibility to protect our purse so that no one coming into this country, even as a visitor, can become a ward of the State or a burden on our people.

I believe that is the correct course for us to take because it is the one that is being put forward to us by those to whom we must turn to for advice in these very complex matters. Those people are our public health officials. I hope that we will have the courage to support the Kennedy amendment, it makes a lot of sense, and turn back the Nickles approach.

I thank the President for my time.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, having heard the Senator from California and some of her comments, let me just answer a couple.

I heard over and over again that this is politics. If it is politics, it is politics generated by President Clinton and his administration who want to change existing policy.

I do not doubt that former Secretary of HHS, Secretary Sullivan, also advocated that change. But President Bush

had the good common sense not to do so.

If it is politics on this side, it is certainly not initiated for political purposes. It was initiated by President Clinton and by his Secretary of HHS, who said they want to change this policy, a policy that really goes back to 1987 as a result of action that passed the Senate by unanimous vote. I do not know if the House voted on it or not. But I think that was good policy. I think that policy helped save lives and helped keep the disease out of the United States or helped reduce the number of immigrants coming into this country that have HIV.

So the politics, if there is any politics, the politics has been initiated by the Clinton administration trying to push whatever agenda, an agenda that at least in my opinion is not good for the country; an agenda that is going to be very expensive for the country.

When we talk about dollars, no one on the other side who is proposing this amendment can truthfully say that this amendment or the change in policy will not cost a lot of money. Nor can they say that the change in policy will not cost lives. Because frankly, Mr. President, if people immigrant to this country who are carrying HIV, a communicable disease, if they continue in certain behavioral patterns, in other words multiple sexual partners, and/or exchanging IV drug, they are going to infect other people. The net result of that is there are going to be lives lost. It is going to kill some Americans and maybe they will infect some people and those people will infect some other people. You could see how this horrendous disease could accelerate and spread throughout the country.

I hope that does not happen. That is the reason why this amendment is here. This amendment is not here for political reasons. This amendment is here to try to stop what I believe is a very serious mistake that President Clinton and his administration are getting ready to make.

The amendment offered by my friend and colleague, Senator KENNEDY, is clearly a figleaf designed to give political cover, and to allow President Clinton to go forward with his change in policy and allow immigrants that are HIV positive to come into this country. As Senator KENNEDY mentioned there are 700,000 immigrants that come into the United States every year. If we change this policy, it will almost be like an invitation for many people who carry this dreadful, deadly disease, to come into the country because we do have quality health care in this country, better health care in the United States than any other country, in the world.

So instead of talking about a few hundred, I fear we would be talking about thousands. I also do fear the fact that some of those people may come

into the country with HIV 2, which is transmitted primarily through the heterosexual community.

I mention this amendment is not born out of hate. This amendment is not born out of fear. This amendment is not born out of homophobia. This amendment is raised to try and stop President Clinton's administration from making a very serious mistake that will jeopardize the lives of countless Americans and will cost U.S. taxpayers millions of dollars.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

PROVIDING FOR A JOINT SESSION OF CONGRESS TO RECEIVE A MESSAGE FROM THE PRESIDENT

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Concurrent Resolution 39.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The clerk will report.

The bill clerk read as follows:

A concurrent resolution (H. Con. Res. 39) providing for a joint session of Congress to receive a message from the President.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 39) was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

NATIONAL INSTITUTES OF HEALTH REVITALIZATION ACT OF 1993

The Senate continued with the consideration of the bill.

Mr. DOLE. Mr. President, is the pending business still the NIH authorization?

The PRESIDING OFFICER. The Senator is correct.

Mr. DOLE. Is the pending amendment the Nickles amendment?

The PRESIDING OFFICER. The Kennedy amendment is the pending amendment, which is a second-degree amendment to the Nickles amendment.

Mr. DOLE. Mr. President, Bill Clinton, during his campaign, promised to "lift the current ban on travel and immigration to the United States by foreign nationals with HIV." This policy was initiated by Congress in 1987. The Senate voted in favor of it 96 to 0, and the House accepted the provision without a vote.

Mr. President, I believe that the lifting of the current ban—which is within the power of the President to lift by Executive order—is premature and will very likely strain our already overburdened health care system. The amendment offered today retains the current ban unless changed by law.

I emphasize—because I have heard some of the discussion on the Senate floor—that this is not a battle about who cares more about people who are sick. However, there are those who will try to turn this vote into a political contest and who will argue that those of us who oppose lifting the ban at this time are callous and heartless and do not care about people.

They will argue that the history of America and the greatness of this country is based on the willingness of this country to accept people in need.

But, Mr. President, that is not the issue. This is not an anti-immigration issue. This is not a gay issue. This is a public health issue, and it is an economic health issue. There is nothing callous or heartless about protecting the physical and financial health of the American people.

No doubt, Mr. President, AIDS is a tragic disease. It has taken the lives of approximately 175,000 Americans and has afflicted more than one million other Americans. It is a communicable disease that is not confined to the intravenous drug user or the gay population. It is being spread on an increasing basis through heterosexual contact. It infects the old, the young, men and women, rich or poor. There is no doubt in my mind that what we confront now is an epidemic, one that will call on all our resources to address.

While I realize that some of the fears about AIDS are unfounded, I fail to see how permitting more people infected with the AIDS virus to permanently immigrate into America will in any way contribute to the health and well-being of the American public, or help us resolve the very serious issues facing us here at home.

Mr. President, I believe that out of fairness to the American people, who are already—and rightly so—demanding a more equitable and affordable health care system, that lifting the ban at this time would appear unwise until such time as a number of troubling issues are thoroughly addressed.

By some estimates—and there are different estimates—the cost of caring for an AIDS patient can well exceed \$100,000 per case.

I do not believe that all immigrants with the HIV virus who are permitted entry into this country will be able to afford these astronomical expenses. It seems reasonable to believe then, that many of the thousands granted permanent entry into this country will eventually fall onto the public rolls.

Would taxpayers be forced to pay the astronomical cost of treatment for these patients—in effect, establishing a health care asylum in America? What will be the effect of these AIDS patients on our already strained health care system? And how do we justify the added costs to the American public—a public who will pay over \$800 billion for health care this year alone, and who are concerned about the 37 million uninsured, and those here who are already confronting the AIDS virus.

Mr. President, on top of the billions of dollars we have spent on AIDS research, our Nation has invested untold millions of dollars to educate the public about the spread of the AIDS virus. Would the American taxpayer have to pay to educate these emigres, or are we willing to take our chances that these individuals will act responsibly?

Mr. President, our current law provides for a waiver authority allowing those infected with certain infectious diseases, including AIDS, to enter the United States for a limited period of time. These waivers are granted for humanitarian purposes, for individuals who wish to enter the United States for treatment or education purposes, or those who already have an immediate family member legally residing in the United States, who arguably can provide them with the necessary financial and emotional resources. No one has argued that this waiver of authority should be altered.

However, Mr. President, until we have better information on what the effect will be on the American public if the ban is lifted, I am opposed to any change in our current policy. This amendment would require a thorough study to be conducted to evaluate the full implications of the lifting of the ban. Upon completion of the study, if deemed appropriate by the Congress and the President, a policy change can be instituted legislatively.

In the meantime, we in Congress have an obligation to ensure that no policy changes are enacted that will in any way compromise the financial and physical health of the American taxpayer. At this time, our information available on the implications of lifting the ban is not adequate to make that decision.

So I want to congratulate the distinguished Senator from Oklahoma for his amendment, one that a number of us have worked on together. I think it is

a good amendment. The issue is health care, not gay bashing. It is not anti-discrimination, not anti-immigrant. This is a health care issue. It should be resolved as such. I yield the floor.

Mr. BOND. Mr. President, I intend to vote in favor of this legislation because of the absolutely critical need for the reauthorization of the National Institutes of Health and funding of the vital research projects undertaken through NIH. However, I would like to take this opportunity to raise an issue of concern to many people in the health research community, including the chancellor of Washington University and chair of the Institute of Medicine Committee to Study the AIDS Research Program of the National Institutes of Health. This committee issued a report in 1991 entitled "The AIDS Research Program of the National Institutes of Health."

The concern stems from provisions in S. 1 which change the authority of the NIH Office of AIDS Research and which were added in the committee markup without the benefit of adequate consultation with or comment from the health research community. These provisions significantly alter the flow of funds into AIDS research and amplify the authority of the Director of the Office of AIDS Research to direct those funds, thus they may have a significant impact on AIDS research. I believe that we should approach such changes thoughtfully with complete and careful consideration, particularly of the views of the research community that is most aware of how such changes will affect their work.

I salute the efforts of Senator KASSEBAUM and others on the Labor Committee to address this issue and present a compromise that we can all abide with an eye toward the greater need to support this legislation as a whole. But I also remain hopeful that the Congress will allow for additional comment, and if necessary, input, in conference from the health research community before we move forward to implement these proposed changes.

In further support of this statement, I ask unanimous consent that a letter written by the chancellor of Washington University and chair of the IOM committee to Representative WAXMAN on this matter be included in the RECORD at the close of my statement.

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

WASHINGTON UNIVERSITY,
St. Louis, MO, February 11, 1993.

Hon. HENRY WAXMAN,

U.S. House of Representatives, Committee on Energy and Commerce, Washington, DC.

DEAR MR. CHAIRMAN: I am writing regarding the National Institutes of Health Revitalization Amendments of 1993. As you know, the Senate version of this bill, S. 1, includes provisions in Title XVIII which change the authority of the NIH Office of AIDS Research. Although several provisions may

have merit, confusion surrounding the interpretation and intent of the legislative language concerns me. I understand that H.R. 4, the House NIH Bill, does not yet include any similar AIDS provisions and I am writing to offer my comments about the Senate language and about testimony I understand was offered before your Subcommittee.

It has come to my attention that several witnesses appearing before your Subcommittee indicated that the provisions of Title XVIII are consistent with the recommendations in the 1991 Institute of Medicine report "The AIDS Research Program of the National Institutes of Health." IOM committee members were in strong agreement regarding the necessity of long-range research planning and evaluation efforts, a stronger role for the AIDS Program Advisory Committee, expanded staff support for the Office of AIDS Research, and a discretionary fund for the NIH director.

At no time, however, did committee members endorse the concept that funds appropriated by Congress for AIDS research go directly to the Office of AIDS Research for redistribution to the Institutes. I think such a proposal deserves a careful assessment of its implications for our continuing fight against AIDS. Keeping in mind the best interests of the NIH and its AIDS research programs, I believe calls for open and thoughtful consideration of any proposed new authority for the Office of AIDS Research.

I salute your stalwart support for the well-being of the National Institutes of Health. Thank you for your continued leadership.

Yours sincerely,

WILLIAM H. DANFORTH,
Chancellor.

Mr. DURENBERGER. Mr. President, I rise today in support of the Nickles amendment on the admission of HIV-infected aliens to the United States.

This amendment would retain the policy excluding HIV-positive aliens for a period of 6 months. During that time, the Secretary of HHS would work with the Attorney General to examine the critical cost issues involved in granting immigrant status to HIV-infected aliens. And at the conclusion of that 6-month review, the Secretary of HHS and the Attorney General will make a full report to Congress on the cost implications of lifting the exclusion.

We need to know the answer to this specific question: Is the public charge provision in today's immigration law sufficient to protect against added costs to the United States?

Mr. President, I think that this amendment is a reasonable compromise. It lays out a series of steps toward a final decision on this important issue—and will give the process adequate time to address all relevant concerns.

I reach this conclusion on the Nickles amendment without prejudice to the decision we will be called upon to make in 6 months' time. I know, for example, that all the public health authorities are unanimous in believing that AIDS/HIV should come off the immigration list of communicable diseases.

I also know that according to all the scientific evidence, AIDS is not trans-

mitted by casual contact. That's why our last HHS Secretary, Dr. Louis Sullivan, and his Department had already signed off on a rule eliminating the classification of HIV-positive individuals in immigration law.

So there is a great deal of evidence tilting us in the direction of repealing this exclusion. That's why it is especially important for us to have some time in which to consider the objections. Dr. Robert Windom, the former Assistant Secretary of HHS, believes that there are serious cost considerations involved in allowing the entry of HIV-infected aliens.

Anyone who has HIV now may become sicker. Even if immigrants enter the country capable of paying their own way, in 10 or 15 years their health may have deteriorated enough to make them a public charge.

Let's get to the bottom of these questions before we set in stone a policy we may end up regretting. Let's enact the Kassebaum-Dole review process—and get on with some of the more pressing tasks President Clinton will be outlining for us tonight.

Mr. COCHRAN. Mr. President, I am pleased to see that the bill before us today includes a provision to establish a program within the National Center for Research Resources to enhance the ability of institutions in certain States to compete for biomedical and other research grants and awards offered by the NIH.

The program in the bill is called the Institutional Development Award [IDeA] Program. It is similar in nature to the Experimental Program to Stimulate Competitive Research [EPSCoR] that originated in the National Science Foundation and has now spread to several Federal agencies. These programs provide grants to States that have traditionally not been very successful in competing for federally funded research projects. The initial grants help these States determine where they need to improve their research infrastructure at their research universities, and followup grants help these States to implement their plans to correct the deficiencies they discover.

This program does not set aside any funds for research for these institutions, which are located mostly in rural States such as my State of Mississippi. The universities in these States will still be required to go through the peer review process before any research grants are awarded. The IDeA and EPSCoR Programs simply boost the ability of universities to compete in that process.

As an example of the kinds of accomplishments that are possible through programs like this, the EPSCoR Program in Mississippi has produced unprecedented cooperation among our research institutions, and has resulted in an increase in grants being awarded to the State by the agencies involved in

the program. In addition to increased Federal funding, our research universities have received a level of private research contributions that exceeded all expectations and far exceeded the matching requirements of the EPSCoR Program.

I am confident the IDeA Program will produce the same quality results as the EPSCoR Program has. The IDeA Program will broaden the geographic base of biomedical scientific expertise. Currently, 50 percent of all NIH extramural funding goes to institutions in five States. Funding currently going to the 25 States that will be eligible for IDeA totals only 5 percent of NIH's research awards. With improvements resulting from IDeA awards, more research will be conducted at more universities, which has the added benefit of exposing more students to this type of research, therefore encouraging more science graduates to pursue a career in health-related research.

The NIH itself has seen the value of a program of this kind. In 1991, NIH completed a study I had requested to determine whether this type of program would be feasible within the structure of NIH. The report concluded that an IDeA Program can indeed achieve the same accomplishments that have been seen at other agencies.

In this year's appropriations bill for the NIH, \$750,000 was provided to the National Center for Research Resources to help get this program off the ground. Last month, the NCRR began to solicit applications for the initial IDeA competition. I am hopeful additional funding will be available next fiscal year.

I appreciate the efforts of the chairman of the Labor Committee, Senator KENNEDY, for his help in getting the IDeA Program authorized in this bill.

SUPPORTING THE NATIONAL INSTITUTES OF HEALTH

Mr. RIEGLE. Mr. President, I rise today in support of S. 1, the National Institutes of Health Reauthorization Act. I encourage my Senate colleagues to join me in support of this important legislation.

The National Institutes of Health [NIH] have led the world in health research, improving the quality of life for all Americans. We must provide the NIH with the resources and direction it needs to continue to pursue its vital mission.

Yet the NIH, due to political constraints imposed by the Bush administration, has not been able to adequately address the changing health needs of our Nation. We need to devote more resources to women's health research. We need a coordinated research strategy for AIDS. We also need a non-politicized process to answer ethically challenging issues, like fetal tissue research, both now and in the future. The

National Institutes of Health Reauthorization Act responds to the changing health priorities of our Nation while addressing these ethically contentious issues.

The National Institutes of Health Reauthorization Act provides increased funding for women's health issues. This legislation establishes research programs that would address the most pressing women's health concerns, including breast cancer, reproductive cancer, and osteoporosis. The bill also codifies the Office of Research on Women's Health and directs all clinical research supported by the NIH to include women and minorities. These provisions in the National Institutes of Health Reauthorization Act will dramatically improve the quality and scope of research dedicated to women's health issues.

The health needs of America's children are also addressed in this legislation. Though the United States has made great strides providing immunizations to school aged children, many toddlers do not receive proper immunization against infectious diseases. Over 40 percent of U.S. 2-year-olds are not immunized against preventable infectious diseases. One of the keys to improving the poor immunization rates among 2-year-olds is to develop low cost and improved vaccines. The National Institutes of Health Reauthorization Act addresses this need by providing funds for research and development of affordable and improved childhood vaccines. I support the efforts of the NIH to develop improved vaccines as an important component of improving immunization rates of our Nation's children. I look forward to working with my colleagues Senator KENNEDY and Senator BUMPERS and the Clinton administration to develop a comprehensive immunization program to vaccinate all children of America.

S. 1 would also help the NIH face the challenge of the AIDS epidemic. The National Institutes of Health Reauthorization Act formally authorizes the Office of AIDS Research [OAR] as the central planning and policy agency for AIDS research. The OAR will be responsible for developing and implementing a comprehensive AIDS strategy that includes identifying budget and research priorities as well as coordinating AIDS research within the various NIH agencies. Strengthening the OAR will better focus our Nation's effort to combat the AIDS epidemic which in the past has lacked direction.

The National Institutes of Health Reauthorization Act addresses the issue of fetal tissue research, with fairness and sensitivity. Lifting the ban on fetal tissue research will provide hope for millions of people with life-threatening illnesses like Parkinson's disease, diabetes, leukemia, and epilepsy. For these people fetal tissue transplantation offers the potential for medical miracles.

Mr. President, we really don't know the extent to which fetal tissue transplantation may save lives, but the evidence from studies done so far is very promising. In the past we have heard moving testimony which illustrates in the most human terms they way this technique can improve the quality of life for people with serious illnesses.

The safeguards set forth in this legislation make the argument that these provisions will promote abortion, null and void. The act says that a woman must consent to an abortion before she makes the decision to donate tissue. It says that donors cannot receive compensation for fetal tissue, and it says that the recipient cannot be specified. Even more important, it applies these guidelines across the board to all fetal tissue research, whether publicly or privately funded. Currently there are no safeguards in place for private research.

Mr. President, the National Institutes of Health Reauthorization Act will help the NIH to respond effectively to our Nation's most pressing health needs. The act further creates a non-political mechanism to resolve the ethically difficult biomedical issues we face today and the ethical issues of tomorrow. I wholeheartedly support swift enactment of this legislation.

Mr. President, for the past 3 years the NIH has been waiting for reauthorization. This means that for the last 3 years, funding for research on our Nation's most pressing health concerns, like cancer, heart disease, and AIDS have remained static. In the 102d session, Congress passed the National Health Reauthorization Act, only to be vetoed by President Bush. Most of the issues addressed in the National Institutes of Health Reauthorization Act are not new and have already been approved by Congress. It is my hope that Congress and the President will act swiftly to enact this important legislation.

A TRIBUTE TO WILLIAM F. (BILL) FARMER, JR.

Mr. FORD. Mr. President, I rise today to pay tribute to a favorite son of the great Commonwealth of Kentucky, Mr. William F. (Bill) Farmer, Jr.

Bill Farmer retired at the end of the 102d Congress, having served as the legislative clerk of the U.S. Senate for the past 12 years. A native Kentuckian, Bill was born in Frankfort, KY and graduated from the University of Kentucky with a degree in Commerce. During the Korean war, Bill enlisted in the Marine Corps where he served honorably. Before arriving in Washington, Bill worked as an accountant in Greensboro, NC.

In 1964, Bill was hired as an assistant registration clerk by the Secretary of the Senate. He advanced rapidly within

the Senate. In 1966 he was promoted to registration clerk, in 1969 Bill was appointed as assistant editor of the Daily Digest; then in 1971 Bill joined the legislative staff at the rostrum of the U.S. Senate where he remained until his promotion to chief legislative clerk in March 1980.

Mr. President, it is a personal loss to me not to have my fellow Kentuckian at the rostrum of the Senate. It was comforting to have a part of Kentucky so close by. As Bill would call the roll in the Senate, you could hear that distinctive bluegrass drawl resounding through the Chamber. That drawl became a familiar part of the day-to-day proceedings in the Senate, and many Senators have snapped to attention as Bill trumpeted their name for a roll-call vote.

During those times that I had the pleasure of presiding over the Senate, I would trade stories with Bill about home. When the Senate remained in session late into the evening and into the wee morning hours, the temperament of even the most loyal and robust of individuals might be strained, yet, I myself have witnessed Bill faithfully at his post of duty.

Those who worked closely with Bill enjoyed his quick wit and creative captioning. Bill is a fine Kentucky gentleman, who has always been courteous to me, my staff and all those who worked with him.

While I'll miss the cheerful, hearty attitude displayed by Bill, I congratulate him on a job well done and wish him all the best in his return to the private sector.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that I may be permitted to speak for a period of time not to exceed 5 minutes as if in morning business.

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

The Senator from Vermont is recognized.

OUR ECONOMIC SITUATION

Mr. JEFFORDS. Mr. President, I look forward to the address of President Clinton tonight. Though I have some concerns about proposals I have heard, I will wait to pass judgment until my fellow Vermonters and I have had an opportunity to consider his plan.

I take the floor today, Mr. President, to note for my colleagues that history repeats itself. I must thank my colleague from West Virginia, our President pro tempore, with his interest in Senate history, for making me think to look at what the Senate was debating 100 years ago this very day.

Mr. President, the Senate was debating the Federal debt. Some wanted to increase the debt by issuing bonds, while others opposed these efforts. Here we are 100 years later soon to debate our debt and means to control it.

Let me set a historical frame of references for 1893. In the world, countries are trying to accumulate gold because of instability in Europe.

Vast sums of American money are being shipped overseas. Tourists alone are taking \$100,000,000 out of our country. Our merchandise is being loaded onto foreign ships by foreign workers for transport. Another \$30 to \$60 million loss to American workers.

Domestic help, a sensitive issue these days, is cited as being responsible for \$12 million in capital outflow from the United States.

In 1893, Russia is in financial ruin. Allow me to quote from Senator Teller, a former Republican Member from Colorado. I am going to quote exclusively of our Republican predecessors—

The financial condition of the people of Russia is the most deplorable of that of any people on earth. * * * There is no use of disguising the fact that the people of that great country are in a state of destitution and distress such as rarely comes to the human race. * * * In that country there is distress everywhere, and poverty is general.

A Republican President, President Cleveland, was defeated, and President Harrison is set to take office. States which had gone Republican in 1888, went Democratic in 1892. Mr. Teller, again a Republican, analyzed the election as follows:

We went out of power last year; that is to say, the verdict of the people was rendered in November which puts us out of control of the executive and of the legislative departments of the Government. We were put out because the people had lost confidence in us. I know a good many have spent time in endeavoring to determine what was the occasion of this feeling of distrust.

Sometimes we have laid it to our candidates, but at the bottom of it—and it need not be disguised—was the feeling that the Republican party, which had been founded to foster the rights of men, had become absolutely oblivious to the interests of all the great masses of the people and had been paying court and attention only to capitalists and monopolists.

Again, Mr. President, these words were spoken on the Senate floor 100 years ago today. Needless to say, at least one of his Republican colleagues took issue with Mr. Teller's analysis. Senator Hiscock, from New York, I believe, stated that we needed to issue new bonds, basically so we could invest in our growth, in other words, invest our way out of a deficit.

In Mr. Hiscock's words:

Mr. President, we are a debtor nation. Rich as we are, almost boundless as is our wealth, still we want to borrow money for the improvements which are being made within our own broad domain.

Mr. Hiscock, then when on to take issue with Mr. Teller's analysis of the 1892 election: He states:

I recognize the fact that we were defeated, but in my State I do not recognize the fact that it was a spirit of discontent which promoted that defeat. Since I have been active in business there never has been a period of time when all classes, from the lowest to the

highest, were more prosperous, were happier, and enjoying more of the necessities and the luxuries of life than they were in the year of our Lord 1892. I sometimes think that that which led to our defeat was because the people were satisfied with the situation. * * *

Our predecessor shows interesting logic and political analysis skills, to say the least.

Specifically, Mr. President, the debate on the floor 100 years ago was whether or not to issue more Government bonds. Proponents of this legislation argue that without additional bonds, financial leaders and foreign governments would lose faith in America. A financial panic would result. Opponents, such as Mr. Teller, argue that the time has come to stop increasing our debt. New bonds are only tools for the bankers to make money, not a means to improve the situation of Americans.

As Mr. Teller put it, "Who ever heard of an increase of a public debt creating security in the faith of the Government which created it?"

I hope Mr. President that 100 years from today, history will not be repeating itself on this Senate floor. Let us put the deficit behind us.

I intend to listen to the President tonight and then to listen to my constituents. I plan to consider President Clinton's plan carefully. I do not intend to let partisanship be a factor in my deliberations. I intend to let the people of my State express their views, weigh them, and then to act accordingly. That is what I believe the role of a Senator to be.

I believe that the American people will be able to sort out the good from the bad, right from wrong. We must act on their advice.

I will close with one last quote from Mr. Teller, from February 17, 1893:

I repeat, so that nobody shall have any excuse for lying about what I say, that the American people are ready and willing to pay their debts to the utmost farthing, and to pay them in the best money in the world, as they have contracted to pay. They will complain of nothing which is necessary to maintain the honor, the integrity, and the credit of the American Government, but they do not believe that there is a danger now which will justify the issue of more bonds, the increase of the public debt, and the increase of taxation. They have complained for some years of unnecessary and unreasonable taxation, and rightfully, as they ought.

I think Mr. Teller is telling us to look first at cutting spending. This is good and timeless advice. He continues:

I thank God that they have the courage to complain. I shall be sorry for the American people if the time shall ever come that party organizations and party lines shall hold men to principles which they despise and which they detest. When they become satisfied that the policy of any party is inimical to their interests, I glory in their courage when they break away from their old party associations and take a stand which they think will bring credit to them and prosperity to the whole nation.

Patriotism, before partisonship, is the message. Mr. President, let us watch tonight's address not as Republicans, not as Democrats, but as Americans. And, when we are done listening to the President, let us listen to the courageous Americans of today. Then, let us act.

Mr. President, I am happy to yield to my distinguished colleague from Maine.

The PRESIDING OFFICER. The majority leader is recognized.

NATIONAL INSTITUTES OF HEALTH REVITALIZATION ACT OF 1993

The Senate continued with the consideration of the bill.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate resume consideration of S. 1, the National Institute of Health bill at 8:30 a.m. on Thursday, February 18; that on Thursday, the amendment numbered 37 and 38 be withdrawn and that Senators KENNEDY and NICKLES be recognized in that order to each offer a first degree amendment on the subject of immigration policy and HIV aliens which will be identical to amendments 37 and 38; that there be 30 minutes for debate on the two amendments, to run concurrently, with the time equally divided and controlled in the usual form; that at 9 a.m., the Senate vote without any intervening action or debate, on, or in relation to, the Kennedy amendment; that following the disposition of the Kennedy amendment the Senate vote immediately, without any intervening action or debate, on, or in relation to, the Nickles amendment; that no further amendments regarding the issue of immigration policy and HIV-infected aliens be in order prior to final passage of this bill; and that the following be the only other amendments remaining in order to this bill and that they be subject to relevant second degree amendments:

A Moynihan amendment relating to National Institute of Drug Abuse;

A Hatfield amendment relating to sleep disorder;

A Roth amendment relating to scientific peer review;

A Jeffords amendment relating to sentinel disease study;

A Jeffords amendment relating to LIHEAP;

A Gorton amendment relating to Institute of Medicine;

A Craig amendment relating to medical radio-nucleide strategy;

A Kennedy relevant amendment;

A Kassebaum relevant amendment; and

A Helms relevant amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I thank my colleagues for their coopera-

tion. I again thank the Senator from Vermont for his courtesy.

PROGRAM

Mr. MITCHELL. Mr. President, in light of the agreement obtained, there will be no rollcall votes this evening. Pursuant to the order agreed to by all Senators, there will be two votes commencing at 9 a.m. tomorrow morning.

I remind Senators of the rule which I established at the outset of this session, that votes will not be held beyond 20 minutes. The first vote will end no longer than precisely 20 minutes after it begins. So Senators should be aware of that: a vote at 9 a.m. tomorrow, to terminate no longer than 20 minutes after it begins.

I thank my colleagues.

Mr. SIMPSON. We shall all take judicial notice of the comments of the majority leader who served on the Federal bench. I have heard that tone of voice in my time here. And I shall be present and the judge and our leader has spoken.

Mr. President, I thank my friend, Senator JEFFORDS. He always shares with us very apt things in his unique way. He is a very splendid Member of the Senate and I enjoy him very much. So I do appreciate him yielding the floor if I should want it, which I do.

I thank the Chair.

AMENDMENT NO. 37

Mr. SIMPSON. Mr. President, I am in support of the Nickles amendment. I have been on the fringes of working to see if we could not get that in that proper form. I just think it is so vital that before we adopt a policy of admitting immigrants who are infected with the AIDS virus, Congress must study that issue and the administration should surely study the issue in order that we can answer the questions that are so very troubling to our constituents. They are wondering what we are doing.

Let me share with you what they are wondering and what they are saying. My constituents, and yours, are asking: "Why in the world would we want to admit as permanent—a permanent resident for this country—a person infected with a contagious deadly disease which will require up to \$100,000 or more of medical attention during his or her lifetime?" That is the question.

I have had some difficulty in responding to that powerful question. We might wish to allow a close family member to enter and to join the rest of the family here in the United States. In such a case, if the immigrant or his family is able to pay the cost of the medical care the immigrant will require, a waiver of the general policy might be warranted. But except for such a case, it is most difficult to justify a change in our current policy regarding HIV-infected immigrants.

Please note that the amendment provides waivers for nonimmigrants who wish to enter this country, those peo-

ple who would come here for business or pleasure or medical treatment, to visit relatives, or to attend conference. In fact, this waiver authority covers nearly every purpose for which short-term visitors come to this country. In fact, we broadened it through this amendment.

Some argue that nearly all other countries in the world admit HIV-infected persons. But you are not hearing the full story. I have been in this immigration and refugee field since I came to the United States Senate. It was visited upon me, I did not seek it. It is an issue filled with emotion, fear, guilt, and racism. I tire of seeing people use it—using a deft blend of emotion, fear, guilt, and racism to try to get something skewed into the system.

Let me remind my colleagues that Canada, Australia, and the United States are virtually the only countries in the world—in the Western World—which accept any kind of significant numbers of permanent immigrants. Thus, when we are told in a passionate way that other countries allow HIV-infected persons to enter, and why do we not, they mean that they are allowed to enter as visitors, not to become permanent members of society. I think it behooves us to be honest when we speak of that issue, what we are really talking about. They are allowed to enter as visitors, but not one of those countries that they talk about as being so generous, allow persons to come as permanent members of their society who are infected with HIV.

Under this amendment, HIV-infected persons would be admitted to this country as visitors, as is the case in all other Western countries. As I mentioned yesterday when I spoke about the issue, we sought the assistance of the Public Health Service in drafting suitable language for the health-related grounds of exclusion. We accepted the term they proposed—they proposed this term. The term is "communicable disease of public health significance," to describe an illness which would prevent an alien from immigrating to the United States.

The administration is now proposing that infection with the AIDS virus is not a disease of "public health significance."

It seems to me there are two arguments against this position which need to be answered before our policy is changed.

One, is a disease which has reached epidemic proportions, killing more than 175,000 fellow Americans and infecting as many as a million-and-a-half more, a disease of public health significance?

That is a question, a pretty good question.

Two, is a disease which renders its victim terminally ill in every single instance, with medical care expenses reaching as much as \$100,000 or more, a disease of "public health significance"?

On the basis of what we know today, I believe the answer to both of those questions obviously is yes.

It is certainly a contagious disease whose only prognosis as far as we know—and it is a terrible tragedy—is death, and which already affects 1.5 million Americans, is of public health significance. You bet it is.

How could it be decided or determined otherwise? How absurd. And also at a time when health care costs are one of the most significant elements in our current economic crisis, a disease, which has such high medical costs, has to be of public health significance unless one would argue that health care costs are not of public health significance.

It has been argued by some that the 1990 act gave the Secretary of HHS and the Public Health Service the authority to decide which diseases are of public health significance and that we should leave that decision with "the experts" and not let the politicians mess around with this one, and leave it with the experts where it belongs. I ascribed to that. Indeed, I did.

But what has happened, unfortunately, of the several diseases on the list, HIV infection is the only one that has become now a political football. When you want to leave it desperately with the experts, which I did in the 1990 bill, I did not believe any of those diseases would become political footballs—leprosy, tuberculosis, gonorrhea, syphilis—those things are in the exclusion. And it became a political issue during the past election campaign.

I am very concerned that the current proposal to remove HIV infection from the list is simply a political response, nothing more. As a policy decision, it is not based on any solid medical evidence, and if that is true that this is simply a political payoff, that is very sad, and I have a feeling that that is exactly what this is, under the pressure of a political campaign and a political response and a political payoff.

It is for this reason that I support this amendment which also makes it very clear that the Secretary of Health and Human Services has the full authority and discretion to continue to add or remove all other diseases included on the list. Some argue we do not need to have HIV as a medical exclusion because we have the public charge exclusion, which can be used to address the concerns about the health care costs of admitting aliens with the AIDS virus. The only way we know whether or not an immigrant is infected with the AIDS virus is through the blood test that every immigrant must now provide to identify the presence of excludable diseases. If HIV infection is removed from the list now of excludable diseases, the consular offices will not know whether or not the intending immigrant has HIV infection in order to be able to make a judgment on the public charge exclusion.

I hope that we can remember that in the debate. In other words, if we were to remove HIV as a medical exclusion and rely instead on the public charge exclusion, we would also have to provide that every intending immigrant submit to a blood test for HIV infection.

Let me just conclude by responding to a couple of items that have occurred in the debate. One of my fine colleagues stated that if this had been the law of Spain, that Magic Johnson could not have been able to play basketball in the Olympic games. I believe Senator BOXER responded in that fashion. I am enjoying very much getting to know Senator BOXER. She is a very able and articulate spokesman for her State and, she is going to be, and is already, a great addition to the United States Senate. I will be looking forward to working with her on immigration issues because certainly the State of California is the most impacted and affected State, not only with immigration but with refugee issues.

I will just say the Nickles amendment, this amendment, provides to the contrary. It provides for a waiver for visitors with the HIV infection. It is very important. That is not being heard in this debate. This is a very clear waiver system within this amendment, it is very specific, very clear and if any other country had had this law, all of our members of our dream team would not have played in any country on Earth.

Then my friend from Massachusetts, Senator KENNEDY, and I have been through the wars together with regard to immigration, refugee issues. With his help and support, we have passed some significant legislation over the past 14 years with regard to legal immigration. Even though he could not feel completely disposed to support the issue of illegal immigration, he was a sincere player in the entire debate. I enjoy him very much and he is a splendid legislator. But, again, I have already warned how easy it is in this body to slip into the area of emotion, fear, guilt, or racism. I respectfully say that it was, in my mind, inappropriate to state that the purpose perhaps of the Nickles amendment is to keep out those black Haitians who are rotting away at our naval base at Guantanamo. That is a very unfortunate statement because it is not so.

The Haitians at Guantanamo are awaiting admission as refugees. A refugee is a person fleeing persecution, or a well-founded fear of persecution, based on race, religion, national origin, or membership in some political or social organization. A person is not a refugee who simply does not like their country anymore, does not want to be drafted, does not like the economy but just wants out, or is frightened by something that happened in the political government within their district. That

is not a refugee. Either we keep and stick with the U.N. definition of refugee and the U.S. definition—and that is what it is, but let us not make economic refugees political refugees. There is a difference. What happened in the previous administration, sadly, we found there were State Department refugees and INS and Justice Department refugees. That was a real mistake of the previous administration.

This amendment does not affect refugees who are admitted under another provision which allows waivers of medical exclusion.

So as we go through the debate, and we are nearly to conclude that, I urge my colleagues to support this amendment. After we have the President's report this fall and after the Congress has held hearings on the issue, as we should, as Senator KASSEBAUM continually alerted us to the costs involved and the danger to the public that is involved, we can make a truly informed decision as to whether or not HIV infection should be removed from the list of communicable diseases with "public health significance." It is a most important issue. We must do it right and honestly and not out of political pressure.

I thank the Chair.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER (Mr. AKAKA). The Senator from Minnesota is recognized.

MORNING BUSINESS

Mr. WELLSTONE. Mr. 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.

AUTHORIZING APPOINTMENT OF COMMITTEE ON THE PART OF THE SENATE

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the President of the Senate be authorized to appoint a committee, on the part of the Senate, to join with a like committee, on the part of the House of Representatives, to escort the President of the United States into the House Chamber for the joint session to be held at 9 p.m. this evening.

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

FUTURE FARMERS OF AMERICA

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of House Joint Resolution 101, a joint resolution relating to the Future Farmers of America, just received from the House; that the joint resolution be

deemed read 3 times and passed; that the motion to reconsider be laid upon the table; and that the preamble be agreed to.

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

So the joint resolution (H.J. Res. 101) was deemed read the third time and passed.

The preamble was agreed to.

A JOINT ADDRESS TO CONGRESS—MESSAGE FROM THE PRESIDENT—PM 4

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States which was ordered to lie on the table:

The PRESIDENT. Mr. President, Mr. Speaker, Members of the House and the Senate, distinguished Americans here as visitors in this Chamber, as am I, when Presidents speak to Congress and the Nation from this podium, typically they comment on the full range of challenges and opportunities that face the United States. But this is not an ordinary time, and for all the many tasks that require our attention, I believe tonight that one calls on us to focus, to unite, and to act, and that is our economy. For more than anything else, our task tonight as Americans is to make our economy thrive again.

Let me begin by saying that it has been too long, at least three decades, since a President has come and challenged Americans to join him on a great national journey, not merely to consume the bounty of today, but to invest for a much greater one tomorrow.

Like individuals, nations must ultimately decide how they wish to conduct themselves, how they wish to be thought of by those with whom they live, and, later, how they wish to be judged by history. Like every individual man and woman, nations must decide whether they are prepared to rise to the occasions history presents them.

We have always been a people of youthful energy and daring spirit. And at this historic moment, as communism has fallen, as freedom is spreading around the world, as a global economy is taking shape before our eyes, Americans have called for change. And now it is up to those of us in this room to deliver for them.

Our Nation needs a new direction. Tonight I present to you a comprehensive plan to set our Nation on that new course.

I believe we will find our new direction in the basic old values that brought us here over the last two centuries: a commitment to opportunity, to individual responsibility, to community, to work, to family, and to faith. We must now break the habits of both political parties and say there can be no more something for nothing, and

admit, frankly, that we are all in this together.

The conditions which brought us as a Nation to this point are well known. Two decades of low productivity growth and stagnant wages; persistent unemployment and underemployment; years of huge government deficits and declining investment in our future; exploding health care costs and lack of coverage for millions of Americans; legions of poor children; education and job training opportunities inadequate to the demands of this tough global economy. For too long we have drifted without a strong sense of purpose, of responsibility, or of community. And our political system so often has seemed paralyzed by special interest groups, by partisan bickering, and by the sheer complexity of our problems.

I believe we can do better, because we remain the greatest nation of Earth, the world's strongest economy, the world's only military superpower. If we have the vision, the will, and the heart to make the changes we must, we can enter the 21st century with possibilities our parents could not even have imagined, and enter it having secured the American dream for ourselves and for future generations.

I well remember 12 years ago President Reagan stood at this very podium and told you and the American people that if our national debt were stacked in thousand-dollar bills, the stack would reach 67 miles into space. Well, today that stack would reach 267 miles.

I tell you this not to assign blame for this problem. There is plenty of blame to go around, in both branches of the Government and both parties. The time has come for the blame to end. I did not seek this office to place blame. I come here tonight to accept responsibility, and I want you to accept responsibility with me. And if we do right by this country, I do not care who gets the credit for it.

The plan I offer you has four fundamental components:

First, it shifts our emphasis in public and private spending from consumption to investment, initially by jump-starting the economy in the short term and investing in our people, their jobs, and their incomes, over the long run.

Second, it changes the rhetoric of the past into the actions of the present, by honoring work and families in every part of our public decisionmaking.

Third, it substantially reduces the Federal deficit, honestly and credibly, by using in the beginning the most conservative estimates of government revenues, not as the executive branch has done so often in the past, using the most optimistic ones.

Finally, it seeks to earn the trust of the American people by paying for these plans first with cuts in government waste and inefficiency. Second, with cuts, not gimmicks, in Government spending, and by fairness, for a

change, in the way the burdens are borne.

Tonight I want to talk with you about what government can do, because I believe government must do more. But let me say first that the real engine of economic growth in this country is the private sector. And, second, that each of us must be an engine of growth and change. The truth is that as government creates more opportunity in this new and different time, we must also demand more responsibility in return.

Our immediate priority must be to create jobs, create jobs now. Some people say, well, we are in a recovery. We don't have to do that. Well, we all hope we are in a recovery, but we sure are not creating new jobs. And there is no recovery worth its salt that doesn't put the American people back to work.

To create jobs and guarantee a strong recovery, I call on Congress to enact an immediate package of jobs investments of over \$30 billion to put people to work now, to create a half-million jobs: jobs to rebuild our highways and airports, to renovate housing, to bring new life to rural communities, and to spread hope and opportunity among our Nation's youth. Especially I want to emphasize after the events of last year in Los Angeles and the countless stories of despair in our cities and in our poor rural communities, this proposal will create almost 700,000 new summer jobs for displaced unemployed young people alone this summer. And tonight I invite America's business leaders to join us in this effort, so that together we can provide over 1 million summer jobs in cities and poor rural areas for our young people.

Second, our plan looks beyond today's business cycle, because our aspirations extend into the next century. The heart of this plan deals with the long term. It is an investment program designed to increase public and private investment in areas critical to our economic future. And it has a deficit-reduction program that will increase the savings available for the private sector to invest, will lower interest rates, will decrease the percentage of the Federal budget claimed by interest payments, and decrease the risk of financial-market disruption that could adversely affect our economy.

Over the long run, all this will bring us a higher rate of economic growth, improved productivity, more high-quality jobs, and an improved economic competitive position in the world.

In order to accomplish both increased investment and deficit reduction, something no American Government has ever been called upon to do at the same time before, spending must be cut and taxes must be raised. The spending cuts I recommend were carefully thought through in a way to minimize any adverse economic impact, to cap-

ture the peace dividend for investment purposes, and to switch the balance in the budget from consumption to more investment. The tax increases and the spending cuts were both designed to assure that the cost of this historic program to face and deal with our problems will be borne by those who could readily afford it the most.

Our plan is designed, furthermore, and perhaps in some ways most importantly, to improve the health of American business through lower interest rates, more incentives to invest, and better-trained workers. Because small business has created such a high percentage of all the new jobs in our Nation over the last 10 or 15 years, our plan includes the boldest targeted incentives for small business in history. We propose a permanent investment tax credit for the smallest firms in this country, with revenues under \$5 million. That is about 90 percent of the firms in America, employing about 40 percent of the work force, but creating a big majority of the net new jobs in more than a decade.

We propose new rewards for entrepreneurs to take new risks. We propose to give small business access to all the new technologies of our time, and we propose to attack this credit crunch, which has denied small business the credit they need to flourish and prosper.

With a new network of community development banks, and \$1 billion to make the dream of enterprise zones real, we propose to bring new hope and new jobs to storefronts and factories from south Boston to south Texas to south-central Los Angeles.

This plan invests in our roads, our bridges, our transit systems, in high-speed railways, and high-tech information systems, and it provides the most ambitious environmental cleanup in partnership with State and local government of our time, to put people to work and to preserve the environment for our future.

Standing as we are on the edge of a new century, we know that economic growth depends as never before on opening up new markets overseas and expanding the volume of world trade. And so we will insist on fair trade rules in international markets as a part of a national economic strategy to expand trade, including the successful completion of the latest round of world trade talks and the successful completion of a North American Free Trade Agreement with appropriate safeguards for our workers and for the environment. At the same time, and I say this to you in both parties and across America tonight, all the people who are listening, it is not enough to pass a budget or even to have a trade agreement. The world is changing so fast that we must have aggressive targeted attempts to create the high-wage jobs of the future. That is what all our competitors are

doing. Special attention to those critical industries that are going to explode in the 21st century, but are in trouble in America today, like aerospace. We must provide special assistance to areas and to workers displaced by cuts in the defense budget and by other unavoidable economic dislocations.

Again I will say that we must do this together. I pledge to you that I will do my best to see that business and labor and government work together for a change.

But all of our efforts to strengthen the economy will fail—let me say this again, I feel so strongly about this—all of our efforts to strengthen the economy will fail unless we also take this year, not next year, not 5 years from now, but this year, bold steps to reform our health care system.

In 1992 we spent 14 percent of our income on health care, more than 30 percent more than any other country in the world, and yet we were the only advanced nation that did not provide a basic package of health care benefits to all of its citizens. Unless we change the present pattern, 50 percent of the growth in the deficit between now and the year 2000 will be in health care costs. By the year 2000 almost 20 percent of our income will be in health care. Our families will never be secure, our businesses will never be strong, and our Government will never again be fully solvent until we tackle the health care crisis. We must do it this year.

The combination of the rising cost of care and the lack of care and the fear of losing care are endangering the security and the very lives of millions of our people, and they are weakening our economy every day. Reducing health care costs can liberate literally hundreds of billions of dollars for new investment in growth and jobs. Bringing health costs in line with inflation would do more for the private sector in this country than any tax cut we could give and any spending program we could promote. Reforming health care over the long run is critically essential to reducing not only our deficit, but to expanding investment in America.

Later this spring, after the First Lady and many good people who are helping her all across the country complete their work, I will deliver to Congress a comprehensive plan for health care reform that finally will bring costs under control and provide security to all of our families, so that no one will be denied the coverage they need, but so that our economic future will not be compromised either. We will have to root out fraud and overcharges and make sure that paperwork no longer chokes your doctor. We will have to maintain the highest American standards, and the right to choose, and a system that is the world's finest for all those who can access it. But first we must make choices. We must choose to give the American people the qual-

ity they demand and deserve with a system that will not bankrupt the country or further drive more Americans into agony.

Let me further say that I want to work with all of you on this. I realize this is a complicated issue. But we must address it. And I believe if there is any chance that Democrats or Republicans who disagree on taxes or spending or anything else can agree on one thing, surely we can all look at these numbers and go home and tell our people the truth—we cannot continue these spending patterns in public or private dollars for health care for less and less and less every year. We can do better.

Perhaps the most fundamental change the new direction I propose offers is its focus on the future and its investment which I seek in our children. Each day we delay really making a commitment to our children carries a dear cost. Half of the two-year-olds in this country today don't receive the immunizations they need against deadly diseases. Our plan will provide them for every eligible child, and we know now that we will save \$10 later for every \$1 we spend by eliminating preventable childhood diseases. That is a good investment no matter how you measure it.

The Women, Infants, and Children nutrition program will be expanded so that every expectant mother who needs the help gets it.

We all know that Head Start, a program that prepares children for school, is a success story. We all know that it saves money. But today it just reaches barely over a third of all the eligible children. Under this plan every eligible child will be able to get a head start. This is not just the right thing to do, it is the smart thing to do. For every dollar we invest today, we will save three tomorrow. We have to start thinking about tomorrow. I've heard that somewhere before.

We have to ask more in our schools, of our students, our teachers, our principals, our parents. Yes, we must give them the resources they need to meet high standards. But we must also use the authority and the influence and the funding of the Education Department to promote strategies that really work in learning. Money alone is not enough. We have to do what really works to increase learning in our schools.

All of our high school graduates need some further education in order to be competitive in this global economy, so we have to establish a partnership between businesses and education and the Government for apprenticeship programs in every State in this country to give our people the skills they need.

Lifelong learning will benefit not just young high school graduates, but workers too throughout their careers. The average 18-year-old today will change jobs seven times in a lifetime.

We have done a lot in this country on worker training in the last few years, but the system is too fractured. We must develop a unified, simplified, sensible, streamlined worker training program so that workers receive the training they need, regardless of why they lost their jobs or whether they simply need to learn something new to keep them. We have got to do better than this.

Finally, I propose a program that got a great response from the American people all across this country last year, a program of national service to make college loans available to all Americans, and to challenge them at the same time to give something back to their country—as teachers, or police officers, or as community service workers. To give them the option to pay the loans back, but at tax time, so they can't beat the bill, but to encourage them instead to pay it back by making their country stronger and making their country better, and giving us the benefit of their time.

A generation ago when President Kennedy proposed and the United States Congress embraced the Peace Corps, it defined the character of a whole generation of Americans committed to serving people around the world. In this national service program we will provide more than twice as many slots for people before they go to college to be in national service than ever served in the Peace Corps. This program could do for this generation of Members of Congress what the Land Grant College Act did and what the G.I. Bill did for former Congressmen. In the future historians who got their education through the national service loan will look back on you and thank you for giving America a new lease on life if you meet this challenge.

If we believe in jobs and we believe in learning, we must believe in rewarding work. If we believe in restoring the values that make America special, we must believe that there is dignity in all work, and there must be dignity for all workers. To those who care for our sick, who tend our children, who do our most difficult and tiring jobs, the new direction I propose will make this solemn, simple commitment: by expanding the refundable earned income tax credit, we will make history. We will reward the work of millions of working poor Americans by realizing the principle that if you work 40 hours a week and you have got a child in the house, you will no longer be in poverty.

Later this year we will offer a plan to end welfare as we know it. I have worked on this issue for the better part of a decade, and I know from personal conversations with many people, that no one, no one wants to change the welfare system as badly as those who are trapped in it.

I want to offer the people on welfare the education, the training, the child

care, and the health care they need to get back on their feet. But, say, after 2 years, they must get back to work, too, in private business if possible, in public service if necessary. We have to end welfare as a way of life and make it a path to independence and dignity.

Our next great goal should be to strengthen our families. I compliment the Congress for passing the Family and Medical Leave Act as a good first step, but it is time to do more. This plan will give this country the toughest child support enforcement system it has ever had. It is time to demand that people take responsibility for the children they bring into this world.

I ask you to help to protect our families against the violent crime which terrorizes our people and which tears our communities apart. We must pass a tough crime bill. I support not only the bill which did not quite make it to the President's desk last year, but also an initiative to put 100,000 more police officers on the street, to provide boot camps for first-time nonviolent offenders, for more space for the hardened criminals in jail, and I support an initiative to do what we can to keep guns out of the hands of criminals. Let me say this: I will make you this bargain; if you will pass the Brady bill, I will sure sign it.

Let me say now we should move to the harder parts. I think it is clear to every American, including every Member of Congress of both parties, that the confidence of the people who pay our bills in our institutions in Washington is not high. We must restore it. We must begin again to make government work for ordinary taxpayers, not simply for organized interest groups. And that beginning will start with real political reform.

I am asking the United States Congress to pass a real campaign finance reform bill this year. I ask you to increase the participation of the American people by passing the motor-voter bill promptly. I ask you to deal with the undue influence of special interests by passing a bill to end the tax deduction for lobbying and to act quickly to require all the people who lobby you to register as lobbyists by passing the lobbying registration bill.

Believe me, they were cheering that last section at home. I believe lobby reform and campaign finance reform are a sure path to increased popularity for Republicans and Democrats alike, because it says to the voters back home, this is your House, this is your Senate. We are your hired hands, and every penny we draw is your money.

Next to revolutionize government we have to ensure that we live within our means, and that should start at the top and with the White House. In the last few days I have announced a cut in the White House staff of 25 percent, saving approximately \$10 million. I have ordered administrative cuts in budgets of

agencies and departments. I have cut the Federal bureaucracy, or will over the next 4 years, by approximately 100,000 positions, for a combined savings of \$9 billion.

It is time for government to demonstrate in the condition we are in that we can be as frugal as any household in America. And that is why I also want to congratulate the Congress. I noticed in meeting with the leadership today that Congress cut its cost. I think that is important. I think it will send a very clear signal to the American people.

But if we really want to cut spending, we are going to have to do more. And some of it will be difficult. Tonight I call for an across-the-board freeze in Federal Government salaries for 1 year. Thereafter, during this 4-year period, I recommend that salaries rise at one point lower than the cost-of-living allowance normally involved in Federal pay increases.

Next I recommend that we make 150 specific budget cuts, as you know, and that all those who say we should cut more be as specific as I have been.

Finally, let me say to my friends on both sides of the aisle, it is not enough simply to cut government. We have to rethink the whole way it works. When I became President I was amazed at just the way the White House worked in ways that added lots of money to what taxpayers had to pay, outmoded ways that didn't take maximum advantage of technology and did not do things that any business would have done years ago to save taxpayers money. So I want to bring a new spirit of innovation into every government department. I want to push education reform, as I said, not just to spend more money, but to really improve learning. Some things work and some things don't. We ought to be subsidizing the things that work, and discouraging the things that don't.

I would like to use that Superfund to clean up pollution for a change, and not just pay lawyers.

We must use Federal bank regulators to protect the security and safety of our financial institutions, but they should not be used to continue the credit crunch and to stop people from making sensible loans.

I would like for us to not only have welfare reform, but to reexamine the whole focus of all of our programs that help people, to shift them from entitlement programs to empowerment programs. In the end, we want people not to need us any more, and I think that is important.

But in the end, we have to get back to the deficit. For years, there has been a lot of talk about it, but very few credible efforts to deal with it. And now I understand why, having dealt with the real numbers for 4 weeks. But I believe this plan does. It tackles the budget deficit seriously, and over the

long term. It puts in place one of the biggest deficit reductions and one of the biggest changes in Federal priorities, from consumption to investment, in the history of this country at the same time over the next four years.

Let me say to all the people watching us tonight who will ask me these questions beginning tomorrow as I go around the country, who have asked it in the past, we are not cutting the deficit just because experts say it is the thing to do or because it has some intrinsic merit. We have to cut the deficit because the more we spend paying off the debt, the less tax dollars we have to invest in jobs, in education, and the future of this country. And the more money we take out of the pool of available savings, the harder it is for people in the private sector to borrow money at affordable interest rates for a college loan for their children, for a home mortgage, or to start a new business. That is why we have got to reduce the debt, because it is crowding out other activities that we ought to be engaged in and that the American people ought to be engaged in.

We cut the deficit so that our children will be able to buy a home, so that our companies can invest in the future, in retraining its workers, and so that our government can make the kinds of investments we need to be a stronger and smarter and safer Nation.

If we don't act now, you and I might not even recognize this government 10 years from now. If we just stay with the same trends of the last 4 years, by the end of the decade the deficit will be \$635 billion a year, almost 80 percent of our gross domestic product. And paying the interest on that debt will be the costliest government program of all. We will still be the world's largest debtor. And when Members of Congress come here, they will be devoting over 20 cents on the dollar to interest payments, more than half of the budget to health care and to other entitlements, and you will come here and deliberate and argue over 6 or 7 cents on the dollar, no matter what America's problems are.

We will not be able to have the independence we need to chart the future that we must, and we will be terribly dependent on foreign funds for a large portion of our investment.

This budget plan, by contrast, will by 1997 cut \$140 billion in that year alone from the deficit, a real spending cut, a real revenue increase, a real deficit reduction, using the independent numbers of the Congressional Budget Office.

Well, you can laugh, my fellow Republicans, but I will point out that the Congressional Budget Office was normally more conservative about what was going to happen and closer to right than previous Presidents have been. I did this so that we could argue about priorities with the same set of numbers.

I did this so no one could say I am estimating my way out of this difficulty. I did this because if we can agree together on the most prudent revenues we are likely to get if the recovery stays and we do right things economically, then it will turn out better for the American people than we say. In the last 12 years, because there were differences over the revenue estimates, you and I know that both parties were given greater elbow room for irresponsibility. This is tightening the rein on the Democrats as well as the Republicans. Let's at least argue about the same set of numbers so the American people will think we are being straight with them.

As I said earlier, my recommendation makes more than 150 difficult reductions to cut the Federal spending by a total of \$246 billion. We are eliminating programs that are no longer needed, such as nuclear power research and development. We are slashing subsidies and cancelling wasteful projects. Many of these programs were justified in their time. A lot of them are difficult for me to recommend reduction in. Some really tough ones for me personally. I recommend that we reduce interest subsidies to the Rural Electric Administration. This is a difficult thing for me to recommend. But I think that I cannot exempt the things that exist in my State or in my experience if I ask you to deal with things that are difficult for you to deal with. We are going to have no sacred cows, except the fundamental abiding interests of the American people.

I have to say that we all know our government has been just great at building programs. The time has come to show the American people that we can limit them, too. We cannot only start things, but we can actually stop things. As we restructure our military forces to meet the new threats of the post-Cold War World, it is true that we can responsibly reduce our defense budget. And we may all doubt what that range of reduction is. But let me say that as long as I am President, I will do everything I can to make sure that the men and women who serve under the American Flag will remain the best trained, the best prepared, the best equipped fighting force in the world, and every one of you should make that solemn pledge. We still have responsibilities around the world. We are the world's only superpower. This is still a dangerous and uncertain time. And we owe it to the people in uniform to make sure that we adequately provide for the national defense and for their interests and needs.

Backed by an effective national defense and a stronger economy, our Nation will be prepared to lead a world challenge, as it is everywhere, by ethnic conflicts, by the proliferation of weapons of mass destruction, by the global democratic revolution, and by

challenges to the health of our global environment.

I know this economic plan is ambitious, but I honestly believe it is necessary for the continued greatness of the United States. And I think it is paid for fairly, first by cutting government, then by asking the most of those who benefited the most in the past, and by asking more Americans to contribute today so that all of us can prosper tomorrow.

For the wealthiest, those earning more than \$180,000 per year, I ask you who are listening tonight to support a raise in the top rate for Federal income taxes from 31 to 36 percent. We recommend a 10 percent surtax on incomes over \$250,000 a year. And we recommend closing some loopholes that let some people get away without paying any tax at all.

For businesses with taxable incomes in excess of \$10 million, we recommend a raise in the corporate tax rate also to 36 percent, as well as a cut in the deduction for business entertainment expenses.

Our plan seeks to attack tax subsidies that actually reward companies more for shutting their operations down here and moving them overseas than for staying here and reinvesting in America. I say that as someone who believes that American companies should be free to invest around the world and as a former Governor who actively sought investment of foreign companies in my State. But the Tax Code should not express a preference to American companies for moving somewhere else, and it does in particular places today.

We will seek to ensure that through effective tax enforcement, foreign corporations who do make money in America simply pay the same taxes that American companies make on the same income.

To middle-class Americans who have paid a great deal for the last 12 years, and from whom I ask a contribution tonight, I will say again, as I did on Monday night, you are not going alone anymore, you are certainly not going first, and you are not going to pay more for less as you have too often in the past.

I want to emphasize the facts about this plan: 98.8 percent of America's families will have no increase in their income-tax rates, only 1.2 percent at the top.

Let me be clear: There will also be no new cuts in benefits for Medicare. As we move towards the fourth year with the explosion in health care costs, as I said, expected to account for 50 percent of the growth in the deficit between now and the year 2000, there must be planned cuts in payments to providers, to doctors, to hospitals, to labs, as a way of controlling health care costs. But I see these only as a stopgap until we can reform the entire health care system. If you will let me do that, we

can be fair to the providers and to the consumers of health care.

Let me repeat this, because I know it matters to a lot of you on both sides of the aisle. This plan does not make a recommendation for new cuts in Medicare benefits for any beneficiary.

Secondly, the only change we are making in Social Security is one that has already been publicized. The plan does ask older Americans with higher incomes who do not rely solely on Social Security to get by to contribute more. This plan will not affect the 80 percent of Social Security recipients who do not pay taxes on Social Security now. Those who do not pay tax on Social Security now will not be affected by this plan.

Our plan does include a broad-based tax on energy. And I want to tell you why I selected this and why I think it is a good idea. I recommend that we adopt a BTU tax on the heat content of energy as the best way to provide us with revenue to lower the deficit, because it also combats pollution, promotes energy efficiency, promotes the independence economically of this country, as well as helping to reduce the debt, and because it does not discriminate against any area. Unlike a carbon tax, it is not too hard on the coal States. Unlike a gas tax, it is not too tough on people who drive a long way to work. Unlike an ad valorem tax, it doesn't increase just when the price of an energy source goes up. And it is environmentally responsible. It will help us in the future, as well as in the present, with the deficit.

Taken together, these measures will cost an American family with an income of about \$40,000 a year less than \$17 a month. It will cost American families with incomes under \$30,000 nothing because of other programs we propose, principally those raising the earned income tax credit.

Because of our publicly stated determination to reduce the deficit, if we do these things we will see the continuation of what has happened just since the election. Just since the election, since the Secretary of the Treasury, the Director of the Office of Management and Budget, and others have begun to speak out publicly in favor of a tough deficit-reduction plan, interest rates have continued to fall long-term. That means that, for the middle class who will pay something more each month, if they have any credit needs or demands, their increased energy costs will be more than offset by lower interests costs for mortgages, consumer loans, and credit cards. This can be a wise investment for them and their country now.

I would also point out what the American people already know, and that is because we are a big vast country, where we drive long distances, we have maintained far lower burdens on energy than any other advanced coun-

try. We will still have far lower burdens on energy than any other advanced country, and these will be spread fairly, with real attempts to make sure that no cost is imposed on families with income under \$30,000, and that the costs are very modest until you get into the higher income groups where the income taxes trigger in.

Now I ask all of you to consider this. Whatever you think of the tax program, whatever you think of the spending cuts, consider the cost of not changing. Remember the numbers that you all know. If we just keep on doing what we are doing, by the end of the decade we will have a \$650-billion-a-year deficit. If we just keep on doing what we are doing, by the end of the decade 20 percent of our national income will go to health care every year, twice as much as any other country on the face of the globe. If we just keep on doing what we are doing, over 20 cents on the dollar will have to go to service the debt.

Unless we have the courage now to start building our future and stop borrowing from it, we are condemning ourselves to years of stagnation, interrupted by occasional recessions; to slow growth in jobs, to no more growth in incomes, to more debt, to more disappointment.

Worse yet, unless we change, unless we increase investment and reduce the debt, to raise productivity so that we can generate both jobs and incomes, we will be condemning our children and our children's children to a lesser life than we enjoyed.

Once Americans looked forward to doubling their living standards every 25 years. At present productivity rates, it will take 100 years to double living standards, until our grandchildren's grandchildren are born. I say that is too long to wait.

Tonight the American people know we have to change. But they are also likely to ask me tomorrow, and all of you for the weeks and months ahead, whether we have the fortitude to make the changes happen in the right way.

They know that as soon as I leave this Chamber and you go home, various interest groups will be out in force lobbying against this or that piece of this plan, and that the forces of conventional wisdom will offer 1,000 reasons why we well ought to do this, but we just can't do it. Our people will be watching and wondering, not to see whether you disagree with me on a particular issue, but just to see whether this is going to be business as usual, or a real new day. Whether we are all going to conduct ourselves as if we know we are working for them.

We must scale the walls of the people's skepticism. Not with our words, but with our deeds. After so many years of gridlock and indecision, after so many hopeful beginnings and so few promising results, the American people

are going to be harsh in their judgments of all of us if we fail to seize this moment.

This economic plan can't please everybody. If the package is picked apart, there will be something that will anger each of us. It won't please anybody. But if it is taken as a whole, it will help all of us.

So I ask you all to begin by resisting the temptation to focus only on a particular spending cut you don't like or some particular investment that wasn't made. And nobody likes the tax increases. But let's just face facts: For 20 years, through administrations of both parties, incomes have stalled and debt has exploded and productivity has not grown as it should. We cannot deny the reality of our condition. We have got to play the hand we were dealt and play it as best we can.

My fellow Americans, the test of this plan cannot be what is in it for me. It has got to be what is in it for us.

If we work hard, and if we work together, if we rededicate ourselves to creating jobs, to rewarding work, to strengthening our families, to reinventing our Government, we can lift our country's fortunes again.

Tonight I ask everyone in this Chamber, every American, to look simply into your own heart, to spark your own hopes, to fire your own imagination. There is so much good, so much possibility, so much excitement in this country now, that if we act boldly and honestly, as leaders should, our legacy will be one of prosperity and progress. This must be America's new direction. Let us summon the courage to seize it.

Thank you. God bless America.
[Applause, the Members rising.]

MESSAGES FROM THE HOUSE

At 5:05 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of their reading clerks, announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 39. A concurrent resolution providing for a joint session of Congress to receive a message from the President.

The message also announced that pursuant to the provisions of 15 United States Code 1024(a), and the order of the House of Thursday, February 4, 1993, authorizing the Speaker and the minority leader to accept resignations and to make appointments authorized by law or by the House, the Speaker on February 4, 1993, appointed as members of the Joint Economic Committee the following Members on the part of the House: Representatives ARMEY, SAXTON, COX, and RAMSTAD.

The message further announced that the House has passed the following bills and joint resolution, in which it requests the concurrence of the Senate:

H.R. 2. An act to establish national voter registration procedures for Federal elections, and for other purposes;

H.R. 750. An act to extend the Export Administration Act of 1979 and to authorize appropriations under that act for fiscal years 1993 and 1994; and

H.J. Res. 101. A joint resolution to designate February 21 through February 27, 1993, as "National FFA Organization Awareness Week."

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 2. An act to establish national voter registration procedures for Federal elections, and for other purposes; to the Committee on Rules and Administration.

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. THURMOND:

S. 378. A bill to amend the provisions of titles 5 and 10, United States Code, to provide for the extension of certain annuity benefits for widow, widowers, and former spouses under Federal employee and military retirement systems, and for other purposes; to the Committee on Governmental Affairs.

By Mr. CHAFEE:

S. 379. A bill to amend the Internal Revenue Code of 1986 to increase the rollover period on principal residences for taxpayers whose assets are frozen in financial institutions; to the Committee on Finance.

By Mr. ROTH (for himself, Mr. WELLSTONE, Mr. CHAFEE, and Mr. DURENBERGER):

S. 380. A bill to establish a Department of Environmental Protection, and for other purposes; to the Committee on Governmental Affairs.

By Mr. DASCHLE:

S. 381. A bill to amend the Internal Revenue Code of 1986 to make permanent, and to increase to 100 percent, the deduction of self-employed individuals for health insurance costs; to the Committee on Finance.

By Mr. MOYNIHAN (for himself, Mr. RIEGLE, Mr. MITCHELL, Mr. BRADLEY, Mr. ROCKEFELLER, Mr. DASCHLE, and Mr. CONRAD) (by request):

S. 382. A bill to extend the emergency unemployment compensation program, and for other purposes; to the Committee on Finance.

By Mr. PELL (for himself, Mr. KENNEDY, Mr. JEFFORDS, and Mr. SIMON):

S. 383. A bill to shift Impact Aid funding responsibility for military connected children from the Department of Education to the Department of Defense; to the Committee on Labor and Human Resources.

By Mr. D'AMATO (for himself, Mr. DODD, Mr. BRYAN, Mr. DOLE, Mr. BOND, Mr. GRAMM, Mr. MACK, Mr. FAIRCLOTH, Mr. BENNETT, Mr. DOMENICI, Mr. SHELBY, Mr. CHAFEE, Mr. NICKLES, Mr. CONRAD, Mr. MURKOWSKI, Mr. STEVENS, Mr. LIEBERMAN, Mr. COHEN, Mr. PRESSLER, Mr. GORTON, Mrs. KASSEBAUM, Mr. DANFORTH, and Mr. JEFFORDS):

S. 384. A bill to increase the availability of credit to small businesses by eliminating impediments to securitization and facilitating the development of a secondary market in

small business loans, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. RIEGLE (for himself and Mr. LEVIN):

S. 385. A bill to change the tariff classification for light trucks; to the Committee on Finance.

By Mrs. MURRAY (for herself, Mr. GRASSLEY, and Mr. PRESSLER):

S.J. Res. 48. A joint resolution to designate February 21 through February 27, 1993, as "National FFA Organization Awareness Week"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. THURMOND:

S. 378. A bill to amend the provisions of titles 5 and 10, United States Code, to provide for the extension of certain annuity benefits for widow, widowers, and former spouses under Federal employee and military retirement systems, and for other purposes; to the Committee on Governmental Affairs.

MILITARY SPOUSES EQUITY ACT OF 1993

Mr. THURMOND. Mr. President, I rise today to introduce legislation to correct an inequity which exists for surviving spouses of the members of our Armed Forces and Federal employees.

Currently, the spouse of a soldier who is entitled to a survivor annuity faces termination of benefits if a remarriage occurs before age 55. Clearly this is sound policy when the annuitant had been married to the deceased soldier for a short period of time. Under those circumstances, a surviving widow or widower would not reasonably expect to be a long-term beneficiary of a survivor annuity upon remarriage before age 55. However, it is my belief that if the marriage was for a period of 20 years or more before the soldier dies, then a person entitled to the survivor benefits should not be punished by a termination of those benefits if there is a remarriage before age 55.

Service in the Armed Forces is a noble profession and calls for great sacrifice by those who wear the uniform and their spouses. Oftentimes, a soldier's assignment is to a distant post and separation from one's spouse during this time can be a difficult experience. Even on those occasions when the spouse moves to be with the soldier on or off the base, it calls for compromise and patience for the married couples.

The defense of our Nation and service to this great country is essential to our national security interests. The moral support and encouragement of a spouse is a valuable asset that receives little recognition.

On a number of occasions, I have heard from surviving spouses of our soldiers who have told me that they had long supported their husband or wife during difficult times for the soldier in their military career. Yet, they

believe they are being unduly punished for continuing with their lives in normal and predictable fashion after the death of their soldier spouse. Although a small concession for losing a loved one, they would receive a survivor annuity but only if they did not remarry before age 55.

I believe that this legislation will provide recognition to those who serve that their Government will honor their commitment and continue annuity payments to their surviving spouse who had stood by them for so many years during their military career.

Mr. President, I urge my colleagues to support this legislation and ask unanimous consent that it be printed in the RECORD in this entirety following my remarks.

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

S. 378

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

SECTION 1. EXTENSION OF CERTAIN SURVIVOR ANNUITIES UNDER THE FEDERAL RETIREMENT SYSTEM.

(a) CIVIL SERVICE RETIREMENT SYSTEM.—Section 8341 of title 5, United States Code, is amended—

(1) in subsection (b)(3)(B) by inserting before the period “, unless the marriage of the widow or widower and the employee or the Member (upon whom the entitlement of such annuity is based) is a period of 20 years or more”;

(2) in clause (ii) at the end of subsection (d) by inserting before the period “, unless the marriage of the widow or widower and the employee or the Member (upon whom the entitlement of such annuity is based) is a period of 20 years or more”;

(3) in subsection (h)(3)(B)—

(A) in clause (i) by inserting after “55 years of age” the following: “(unless the marriage of the widow or widower and the employee or the Member, upon whom the entitlement of such annuity is based, is a period of 20 years or more)”;

(B) in clause (ii) by inserting after “former spouse remarries” the following: “(unless the marriage of the widow or widower and the Member, upon whom the entitlement of such annuity is based, is a period of 20 years or more)”.

(b) FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—(1) Section 8442(d)(1)(B) of title 5, United States Code, is amended by inserting before the period “, unless the marriage of the widow or widower and the employee or the Member (upon whom the entitlement of such annuity is based) is a period of 20 years or more”.

(2) Section 8445(c)(2) of title 5, United States Code, is amended by inserting after “55 years of age” the following: “(unless the marriage of the widow or widower and the employee or the Member, upon whom the entitlement of such annuity is based, is a period of 20 years or more)”.

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective on and after the date of the enactment of this Act and shall apply with regard to a widow or widower who remarries before becoming 55 years of age on or after such date of enactment.

SEC. 2. CONTINUATION OF PAYMENT OF SURVIVOR BENEFIT PLAN ANNUITY UPON REMARRIAGE UNDER THE MILITARY RETIREMENT SYSTEM.

(a) IN GENERAL.—Section 1450(b) of title 10, United States Code, as amended—

(1) by inserting “(1)” after “(b)”;

(2) by adding at the end the following new paragraph:

“(2) Notwithstanding the second sentence of paragraph (1), in the case of a widow, or former spouse who was married for 20 years or more to a person to whom section 1448 of this title applies, payment of annuity to that widow, widower, or former spouse after the death of such person shall not be terminated pursuant to that sentence by reason of a remarriage of the widow, widower, or former spouse before reaching 55 years of age.”

(b) EFFECTIVE DATE.—Paragraph (2) of section 1450(b) of title 10, United States Code, shall take effect on the date of the enactment of this Act and shall apply with respect to remarriages described in such paragraph that occur on or after such date.

By Mr. CHAFEE:

S. 379. A bill to amend the Internal Revenue Code of 1986 to increase the rollover period on principal residences for taxpayers whose assets are frozen in financial institutions; to the Committee on Finance.

ROLLOVER EXTENSION ACT OF 1993

● Mr. CHAFEE. Mr. President, the bill I am introducing today will provide temporary relief to individuals in Rhode Island who were required to pay tax on the sale of their principal residence as a result of the State's banking crisis.

Under the Internal Revenue Code, homeowners may defer the payment of tax on the sale of their principal residence by purchasing a new one within 2 years. This 2-year requirement can only be extended under specific circumstances, and the IRS does not have the authority to waive it to take into consideration extraordinary situations such as occurred in Rhode Island.

Many Rhode Islanders who sold their homes over the last 2 years had placed the cash proceeds from the sale in a Rhode Island financial institution that was subsequently closed when the Governor declared a bank holiday on January 1, 1991. As a result, these individuals could not gain access to their downpayments and thus were unable to purchase a new principal residence within the 2-year period required to avoid paying the tax.

My bill extends the normal 2-year rollover period by the amount of time that their money was frozen in a closed institution. With this additional time, Rhode Islanders will now be able to take advantage of the tax deferral that would have been available to them had the bank holiday not occurred.

Without this legislation, Rhode Islanders who are already victims of my State's banking crisis will also be penalized by the 2-year rollover rule. I urge my colleagues to join me in supporting this bill so that we can enact it early this year and spare these individuals this unfair penalty.●

By Mr. ROTH (for himself, Mr. WELLSTONE, Mr. CHAFEE, and Mr. DURENBERGER):

S. 380. A bill to establish a Department of Environmental Protection, and for other purposes; to the Committee on Governmental Affairs.

DEPARTMENT OF ENVIRONMENTAL PROTECTION ACT

● Mr. ROTH. Mr. President, I rise today to introduce legislation to elevate the EPA to a Cabinet-level Department and thereby establish a new Department of the Environment. I am very pleased to be joined by my colleagues Senator WELLSTONE, Senator CHAFEE, and Senator DURENBERGER.

I strongly believe that our Federal planning and decisionmaking on domestic and international environmental issues must come from an organization with Cabinet-level stature because the protection of the environment is one of our top priorities. In the years to come we will see the nations of the world getting together to reach agreement on the important environmental issues that affect us all. During these negotiations it is important that our chief negotiator have Cabinet status. It is also critically important from the competitive point of view because global competition must be bound by the same strict environmental rules lest our firms be disadvantaged by others who are producing products cheap and dirty.

My colleague, Senator GLENN, and I worked very hard in the last Congress to pass an EPA elevation bill. Unfortunately we were unable to reach an agreement with the House of Representatives. This year the new administration has indicated its support for a Department of the Environment and Senator GLENN has reintroduced the legislation that we passed in the Senate on October 1, 1991.

Mr. President, you might wonder why last year's bill is not good enough today. To answer that question, I note that our former effort contained essentially two distinct parts. The first part was elevation of the EPA to Cabinet-level status. The second part was a series of environmental proposals such as a Bureau of Environmental Statistics, a National Academy of Sciences study on data collection, an international energy conference, and the establishment of a commission to study our environmental laws espoused by the chairman of the Governmental Affairs Committee.

For the last two Congresses, the second part has prevented the first part from achieving enactment into law. Issues extraneous to elevating EPA drew fire; they whet the appetite of other Members to add their own extraneous provisions; they serve as cover for some who oppose elevating EPA by allowing them to take issue with these extraneous proposals.

Of course, every Senator who offers an extraneous amendment believes it

to be a good idea. The problem is that everyone in Congress might not agree. So if we adopt a strategy allowing good extraneous amendments to be added and bad ones to be opposed, there is no way to distinguish a good from a bad except by voting. In the last Congress, we adopted this strategy with the result that a controversial amendment which the chairman opposed was added to the Senate floor. The amendment then served as an impediment to the House action.

So if it is time that we learned from our mistakes in parliamentary strategy. If we do not initiate and pursue a clean-bill strategy—one restricted to elevating EPA, we have no basis on which to oppose Senate amendments and House amendments as bad extraneous amendments.

Therefore, Mr. President, I am introducing today what I call a clean bill, one whose only purpose is to elevate EPA. It is time to decide whether elevating EPA merits our allegiance or whether it is merely a circumstance to be used to force extraneous amendments upon unwilling Members of Congress.

I think we all realize how precious our environment is to us and how important it is that we be its guardians. We must demand the highest form of responsibility and action. The environmental legacy we leave for future generations depends on the right decisions being made today—and I hope you will agree with me that those decisions must be made by supporting a clean and simple Department of Environmental Protection bill.

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

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

S. 380

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 "Department of Environmental Protection Act".

TITLE I—REDESIGNATION OF ENVIRONMENTAL PROTECTION AGENCY AS DEPARTMENT OF ENVIRONMENTAL PROTECTION

SEC. 101. REDESIGNATION OF ENVIRONMENTAL PROTECTION AGENCY AS DEPARTMENT OF ENVIRONMENTAL PROTECTION.

(a) REDESIGNATION.—The Environmental Protection Agency is redesignated as the Department of Environmental Protection (hereinafter in this Act referred to as the "Department"), and shall be an executive department in the executive branch of the Government. The Department shall be headquartered at the seat of Government. The official acronym of the Department shall be "D.E.P."

(b) SECRETARY OF THE ENVIRONMENT.—(1) There shall be at the head of the Department a Secretary of Environmental Protection (hereinafter in this Act referred to as the

"Secretary") who shall be appointed by the President, by and with the advice and consent of the Senate.

(2) OFFICE OF THE SECRETARY.—The Office of the Secretary shall consist of the Secretary and the Deputy Secretary appointed under subsection (d), and may include an Executive Secretary.

(c) TRANSFER.—The functions, powers, and duties of the Administrator, other officers and employees of the Environmental Protection Agency, and the various offices and agencies of the Environmental Protection Agency are transferred to and vested in the Secretary.

(d) DEPUTY SECRETARY.—There shall be in the Department a Deputy Secretary of Environmental Protection, who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Secretary shall perform such functions as the Secretary shall prescribe, and shall act as the Secretary during the absence or disability of the Secretary or in the event of a vacancy in the Office of the Secretary.

(e) DELEGATION OF AUTHORITY.—Except as provided in this Act and other existing laws, the Secretary may delegate any functions, including the making of regulations, to such officers and employees of the Department as the Secretary may designate, and may authorize such successive redelegations of such functions within the Department as the Secretary considers to be necessary or appropriate.

SEC. 102. ASSISTANT SECRETARIES.

(a) ESTABLISHMENT OF POSITIONS.—There shall be in the Department such number of Assistant Secretaries, not to exceed 10, as the Secretary shall determine, each of whom—

(1) shall be appointed by the President, by and with the advice and consent of the Senate; and

(2) shall perform such functions as the Secretary shall prescribe.

(b) FUNCTIONS.—The Secretary shall assign to each Assistant Secretary of the Department such functions as the Secretary considers appropriate.

(c) DESIGNATION OF FUNCTIONS PRIOR TO CONFIRMATION.—Whenever the President submits the name of an individual to the Senate for confirmation as an Assistant Secretary under this section, the President shall state the particular functions of the Department (as assigned by the Secretary under subsection (b)) such individual will exercise upon taking office.

SEC. 103. DEPUTY ASSISTANT SECRETARIES.

(a) ESTABLISHMENT OF POSITIONS.—There shall be in the Department 20 Deputy Assistant Secretaries, or such number as the Secretary determines is appropriate.

(b) APPOINTMENTS.—Each Deputy Assistant Secretary—

(1) shall be appointed by the Secretary; and

(2) shall perform such functions as the Secretary shall prescribe.

(c) CAREER SENIOR EXECUTIVE SERVICE.—At least one-half of positions established under subsection (a) and filled by subsection (b) shall be in the career Senior Executive Service.

(d) FUNCTIONS.—Functions assigned to an Assistant Secretary under section 102(b) may be performed by one or more Deputy Assistant Secretaries appointed to assist such Assistant Secretary.

SEC. 104. OFFICE OF THE GENERAL COUNSEL.

(a) GENERAL COUNSEL.—There shall be in the Department the Office of the General Counsel. There shall be at the head of such office a General Counsel who shall be ap-

pointed by the President, by and with the advice and consent of the Senate. The General Counsel shall be the chief legal officer of the Department and shall provide legal assistance to the Secretary concerning the programs and policies of the Department.

SEC. 105. OFFICE OF INSPECTOR GENERAL.

The Office of Inspector General of the Environmental Protection Agency, established in accordance with the Inspector General Act of 1978 (5 U.S.C. App.), is redesignated as the Office of Inspector General of the Department of Environmental Protection.

SEC. 106. REGIONAL ADMINISTRATORS.

There shall be in the Department not more than 11 regional administrators, each of whom shall be appointed by the Secretary. Political affiliation or political qualification may not be the primary factor taken into account in connection with the appointment of any person to a position as a regional administrator of the Department. Each regional administrator shall—

(1) perform in accordance with applicable law such of the functions transferred or delegated to or vested in the Secretary as the Secretary shall prescribe in accordance with the provisions of this Act and other applicable law; and

(2) implement program policies and priorities as established by the Secretary, Assistant Secretaries, and Deputy Secretaries.

SEC. 107. CONTINUING PERFORMANCE OF FUNCTIONS.

(a) REDESIGNATION OF POSITIONS.—(1) The Administrator of the Environmental Protection Agency is redesignated as the Secretary of the Department of Environmental Protection.

(2) The Deputy Administrator of such agency is redesignated as the Deputy Secretary of the Department of Environmental Protection.

(3) Each Assistant Administrator of such agency is redesignated as an Assistant Secretary of the Department.

(4) The General Counsel of such agency is redesignated as the General Counsel of the Department.

(5) The Inspector General of such agency is redesignated as the Inspector General of the Department.

(b) NOT SUBJECT TO RENOMINATION OR RECONFIRMATION.—An individual serving at the pleasure of the President in a position that is redesignated by subsection (a) may continue to serve in and perform functions of that position after the date of the enactment of this Act without renomination by the President or reconfirmation by the Senate.

SEC. 108. REFERENCES.

Reference in any other Federal law, Executive order, rule, regulation, reorganization plan, or delegation of authority, or in any document—

(1) to the Environmental Protection Agency is deemed to refer to the Department of Environmental Protection;

(2) to the Administrator of the Environmental Protection Agency is deemed to refer to the Secretary of Environmental Protection;

(3) to the Deputy Administrator of the Environmental Protection Agency is deemed to refer to the Deputy Secretary of Environmental Protection; and

(4) to an Assistant Administrator of the Environmental Protection Agency is deemed to refer to the corresponding Assistant Secretary of the Department of Environmental Protection who is assigned the functions of that Assistant Administrator.

SEC. 109. SAVINGS PROVISIONS.

(a) CONTINUING EFFECT OF LEGAL DOCUMENTS.—All orders, determinations, rules,

regulations, permits, grants, contracts, certificates, licenses, privileges, and other administrative actions—

(1) which have been issued, made, granted or allowed to become effective by the President, the Administrator or other authorized official of the Environmental Protection Agency, or by a court of competent jurisdiction, which relate to functions of the Administrator or any other officer or agent of the Environmental Protection Agency actions; and

(2) which are in effect at the time this Act takes effect;

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Secretary, or other authorized official, by a court of competent jurisdiction, or by operation of law.

(b) **PROCEEDINGS NOT AFFECTED.**—This Act shall not affect any proceeding, proposed rule, or application for any license, permit, certificate, or financial assistance pending before the Environmental Protection Agency at the time this Act takes effect, and such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection prohibits the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this Act had not been enacted.

(c) **SUITS NOT AFFECTED.**—This Act shall not affect suits commenced before the effective date of this Act, and in all such suits proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this Act had not been enacted.

(d) **NONABATEMENT OF ACTIONS.**—No suit, action, or other proceeding commenced by or against the Environmental Protection Agency, or by or against any individual in the official capacity of such individual as an officer of the Environmental Protection Agency, shall be abated by reason of the enactment of this Act.

(e) **PROPERTY AND RESOURCES.**—The contracts, liabilities, records, property, and other assets and interests of the Environmental Protection Agency shall, after the effective date of this Act, be considered to be contracts, liabilities, records, property, and other assets and interests of the Department.

SEC. 110. CONFORMING AMENDMENTS.

(a) **PRESIDENTIAL SUCCESSION.**—Section 19(d)(1) of title 3, United States Code, is amended by inserting before the period at the end thereof the following: “, Secretary of Environmental Protection”.

(b) **DEFINITION OF DEPARTMENT IN CIVIL SERVICE LAWS.**—Section 101 of title 5, United States Code, is amended by adding at the end thereof the following:

“The Department of Environmental Protection.”

(c) **COMPENSATION, LEVEL I.**—Section 5312 of title 5, United States Code, is amended by adding at the end thereof the following:

“Secretary of Environmental Protection.”

(d) **COMPENSATION, LEVEL II.**—Section 5313 of title 5, United States Code, is amended by striking “Administrator of Environmental

Protection Agency” and inserting in lieu thereof “Deputy Secretary of Environmental Protection”.

(e) **COMPENSATION, LEVEL IV.**—Section 5315 of title 5, United States Code, is amended—

(1) by striking “Inspector General, Environmental Protection Agency” and inserting in lieu thereof “Inspector General, Department of Environmental Protection”;

(2) by striking each reference to an Assistant Administrator, or Assistant Administrators, of the Environmental Protection Agency; and

(3) by adding at the end thereof the following:

“Assistant Secretaries, Department of Environmental Protection.

“General Counsel, Department of Environmental Protection.”

(f) **INSPECTOR GENERAL ACT.**—The Inspector General Act of 1978 is amended—

(1) in section 11(1)—

(A) by inserting “Environmental Protection,” after “Energy,”; and

(B) by striking “Environmental Protection,”; and

(2) in section 11(2)—

(A) by inserting “Environmental Protection,” after “Energy,”; and

(B) by striking “the Environmental Protection Agency.”

SEC. 111. ADDITIONAL CONFORMING AMENDMENTS.

After consultation with the Committee on Government Operations of the House of Representatives, the Committee on Governmental Affairs of the Senate, and other appropriate committees of the Congress, the Secretary shall prepare and submit to the Congress proposed legislation containing technical and conforming amendments to the laws of the United States, to reflect the changes made by this Act. Such proposed legislation shall be submitted not later than 1 year after the effective date of this Act.

TITLE II—ADMINISTRATIVE PROVISIONS

SEC. 201. ACQUISITION OF COPYRIGHTS AND PATENTS.

The Secretary may acquire any of the following rights if the property acquired thereby is for use by or for, or useful to, the Department:

(1) Copyrights, patents, and applications for patents, designs, processes, and manufacturing data.

(2) Licenses under copyrights, patents, and applications for patents.

(3) Releases, before suit is brought, for past infringement of patents or copyrights.

SEC. 202. GIFTS AND BEQUESTS.

The Secretary may accept, hold, administer, and utilize gifts, bequests, and devises of real or personal property for the purpose of aiding or facilitating the work of the Department. Gifts, bequests, and devises of money and proceeds from sales of other property received as gifts, bequests, or devises shall be deposited in the Treasury and shall be available for disbursement upon the order of the Secretary.

SEC. 203. OFFICIAL SEAL OF DEPARTMENT.

On and after the effective date of this Act, the seal of the Environmental Protection Agency, with appropriate changes, shall be the official seal of the Department, until such time as the Secretary may cause an official seal to be made for the Department of such design as the Secretary shall approve.

SEC. 204. USE OF LIKENESS OF OFFICIAL SEAL OF DEPARTMENT.

(a) **DISPLAY OF SEAL.**—Whoever knowingly displays any printed or other likeness of the official seal of the Department, or any fac-

simile thereof, in or in connection with, any advertisement, poster, circular, book, pamphlet, or other publication, public meeting, play, motion picture, telecast, or other production, or on any building, monument, or stationery, for the purpose of conveying, or in a manner reasonably calculated to convey, a false impression of sponsorship or approval by the Government of the United States or by any department, agency, or instrumentality thereof, shall be fined not more than \$250 or imprisoned not more than 6 months, or both.

(b) **MANUFACTURE, REPRODUCTION, SALE, OR PURCHASES FOR RESALE.**—Except as authorized under regulations promulgated by the Secretary and published in the Federal Register, whoever knowingly manufactures, reproduces, sells, or purchases for resale, either separately or appended to any article manufactured or sold, any likeness of the official seal of the Department or any substantial part thereof (except for manufacture or sale of the article for the official use of the Government of the United States), shall be fined not more than \$250 or imprisoned not more than 6 months, or both.

(c) **INJUNCTIONS.**—A violation of subsection (a) or (b) may be enjoined by an action brought by the Attorney General in the appropriate district court of the United States. The Attorney General shall file such an action upon request of the Secretary or any authorized representative of the Secretary.

SEC. 205. USE OF STATIONERY, PRINTED FORMS, AND SUPPLIES OF ENVIRONMENTAL PROTECTION AGENCY.

The Secretary shall ensure that, to the extent practicable, existing stationery, printed forms, and other supplies of the Environmental Protection Agency are used to carry out functions of the Department before procuring new stationery, printed forms, and other supplies for the Department.

● **Mr. DURENBERGER.** Mr. President, I am pleased to cosponsor this legislation to make the Environmental Protection Agency a Cabinet department. I want to commend the distinguished ranking Republican member of the Governmental Affairs Committee, Senator ROTH, for introducing this bill.

Mr. President, over the past 5 years I have many times urged the Senate to take this step.

I first introduced a bill to elevate EPA to Cabinet status on June 28, 1988. I was joined on that bill by several Republican colleagues including Senator JOHN CHAFEE, the ranking Republican member of the Environment and Public Works Committee which has the principal oversight role on EPA programs here in the Senate.

Also on that bill was Senator RICHARD LUGAR, the ranking Republican member of the Agriculture Committee which has jurisdiction over the pesticide programs administered by EPA. Other Republican Senators, including Senator ROTH, Senator Robert Stafford, and Senator John Heinz, joined on that bill. All of the cosponsors were Republican Senators.

Our purpose was to send a message to George Bush about the environment. We were in the midst of a Presidential campaign in June, 1988. But at that date serious debate on the environmental issues had not begun. We

thought George Bush should be talking about environmental issues and we believed that a proposal to elevate EPA to Cabinet rank would be a good way to get the discussion going. In addition, several of the cosponsors were running for reelection to the Senate and it was a way to signal that environmental issues were important to us.

After preparing the bill, we approached the Bush campaign to see if we could get Mr. Bush's endorsement of our proposal. Word came back that he would not endorse it. He indicated that he had an open mind on whether or not EPA should be a part of the Cabinet. But the first thing he wanted to do was to reduce the size of the Cabinet by removing some officials who sat at the table. Only after the size of the Cabinet was trimmed, would he want to take up the question of new members. And President Bush did trim the size of the Cabinet during his first weeks in office.

Even though we could not secure Mr. Bush's endorsement of the bill, we introduced it and pressed the case for elevation of EPA to departmental rank. Ironically, the Democratic candidate for President in 1988, Mr. Dukakis, endorsed the bill in midsummer. Environmental issues did play an important role in that Presidential campaign and significant commitments on specific issues were made by both of the candidates.

When the 101st Congress convened in January 1989, I introduced the EPA Cabinet bill a second time. By then the effort had become bipartisan. Congressman Jim Florio, now the Governor of New Jersey, introduced the bill on the House side and on the Senate side the distinguished Senator from New Jersey, Senator LAUTENBERG, became the principal cosponsor. S. 276 had 25 Senate cosponsors when it was introduced in January 1989.

But we still hadn't persuaded President Bush, and it was, after all, his Cabinet. His support was critical. Bill Reilly who was selected by President Bush to head EPA was a strong advocate of Cabinet status and let the President know his views before he was appointed. We discussed the issue with Mr. Reilly at the time of his confirmation. And we were again told that President Bush had not foreclosed the option, but didn't think that it was time to endorse it either.

It fell to the chairman of the Senate Governmental Affairs Committee, Senator GLENN, to take the issue to the President. I believe that Senator GLENN became a convert to this cause in the summer of 1989. He took up the issue with the President personally and negotiated the details of an elevation proposal with various officials from the administration.

In January 1990, President Bush gave the nod to a Department of the Environment and Senator GLENN introduced his bill, S. 2006, implementing

his discussions with the administration. A companion bill was introduced on the House side by Representative JOHN CONYERS, chairman of the House Government Operations Committee.

Upon securing the endorsement of the President, I had expected the legislative path for this bill would be clear and enactment would follow shortly. Elevating an existing agency to departmental status is a simple proposition. There was strong bipartisan support for the bill. The chairmen of the committees with jurisdiction took up the issue and introduced their own bills. So, it seemed that Cabinet status might be enacted quickly.

But as sometimes happens, the legislation was loaded down with amendments in the House and the Senate that were controversial and on which there was strong disagreement. Those controversies killed the bill in the 101st Congress.

In the 102d, Senator GLENN again introduced a bill and reported it promptly for consideration in the Senate. Although the bill passed the Senate late in the first session and was sent to the House, it failed to get consideration in that body. Although there was broad support for the policy decision, there was unexplained inertia in the legislative process suggesting perhaps that the majority in Congress did not wish to give President Bush any new accomplishments in the environmental field.

Although the legislative hurdles have been difficult, the underlying proposal is simple. This bill takes what is now an executive branch agency created by President Nixon in 1970 and makes it a Cabinet department headed by a Secretary of the Environment.

The principal benefit to be gained by putting EPA at the Cabinet table is to involve the President directly in setting environmental policies. It is a well-known fact that President Reagan had little interest in environmental issues. He kept EPA and its mission at a distance and I believe the quality of EPA's work and the quality of the environmental legislation enacted during the Reagan administration suffered as a result.

President Bush and Bill Reilly changed that history. Their work to produce the Clean Air Act Amendments of 1990 is an example of why the President should be involved in these questions. By all accounts, it was the President's decision to support clean air legislation that broke a 10-year deadlock here in the Congress on the issue of acid rain and allowed a comprehensive reauthorization of the Clean Air Act to become law.

One might conclude from this example that Presidents can choose to involve themselves on environmental issues without EPA in the Cabinet. That is true. But we can go beyond the example set by one President by establishing that commitment as an institu-

tional arrangement which assures access and involvement by every President in the future.

A second concern is the relationship between the environmental agency and the other Cabinet departments. Unfortunately, some of our worst polluters are agencies and departments of the U.S. Government. We have big problems with hazardous wastes sites at Defense and Energy facilities. It may cost DOE as much as \$30 billion to come into compliance with environmental laws at its currently operating facilities and many times that amount to cleanup the residue of previous activities.

EPA needs to be on an equal footing with those departments as the cleanup efforts at Federal facilities are designed and carried out.

There is a third dimension of the relationship issue which can be cited in support of this legislation. Environmental protection is a growing aspect of our international relations. We will increasingly see agreements like that recently signed to protect the ozone layer which reflect an international commitment to solve global environmental problems. Many of our most difficult environmental problems—air pollution, global warming, and marine protection—can only be dealt with in an international context.

We are encouraged by the strong role that the United States took in developing the ozone protocol. Although we have fallen behind the aggressive posture of some other nations on the larger question of global warming, Cabinet rank for EPA may be just the kind of signal which is needed to bring the whole of the executive branch into serious consideration of policies that can avert the calamity that current trends foreshadow. And surely our voice in the international arena will be stronger if it is the voice of a Cabinet Secretary with direct access to the President.

On this point it is interesting to note that environmental protection is a Cabinet function in almost every developed and many developing nations. Ministries of the Environment are to be found in Australia, Austria, Belgium, Canada, Denmark, Finland, West Germany, India, Ireland, Japan, Luxembourg, Malaysia, Mexico, Netherlands, New Zealand, Norway, the Philippines, Poland, Sweden, Switzerland, the United Kingdom, and the U.S.S.R. Among the OECD nations we stand with Italy as one of the few who have not made environmental protection a ministerial function.

A review of the Cabinets of the American States would demonstrate the same point. In governments in many places and under many different circumstances, environmental protection is accorded the highest rank in the councils which make and implement policy.

Elevation of EPA to Cabinet rank has broad public support. It is endorsed

by all of the major environmental organizations. All of the previous EPA administrators are in favor of Cabinet status and urge us to adopt this bill. President Clinton is in support of the bill as was his Republican predecessor.

Mr. President, it is time to elevate the environmental function of the National Government to Cabinet rank.●

By Mr. DASCHLE:

S. 381. A bill to amend the Internal Revenue Code of 1986 to make permanent, and to increase to 100 percent, the deduction of self-employed individuals for health insurance costs; to the Committee on Finance.

SELF-EMPLOYED HEALTH INSURANCE ACT OF 1993

Mr. DASCHLE. Mr. President, as a member of the Senate Finance Committee, I have become increasingly aware of inequities for small businesses in our Federal tax laws. This is particularly ironic, given the often-repeated claim that small business is the backbone of our country.

One of the many ways that our tax system discriminates against small business is in denying the self-employed a deduction for their health insurance expenses. Corporations may deduct 100 percent of the costs of providing health insurance for their employees, but the self-employed, whether they operate as sole proprietorships or as partnerships, have only been permitted to deduct 25 percent of the cost of health insurance for themselves and their families. What's more, the 25 percent deduction expired on June 30, 1992. Unless we reinstate the deduction, the self-employed will have to shoulder the full cost of their health insurance.

The importance of the deduction for health insurance costs has grown substantially in recent years due to tremendous increases in health care costs generally. The annual double-digit increases in health care costs have far outstripped the rate of inflation and led to similar increases in the cost of health insurance. Corporations, which frequently are in a better position to absorb cost increases, may fully deduct the greater insurance expenses, while the self-employed must pay these costs with after-tax dollars. In some cases, this may mean forfeiting health insurance altogether.

Last year, Congress passed legislation that would have extended the temporary 25 percent deduction. Unfortunately, the President vetoed the legislation containing that extension, and the self-employed with health insurance policies may now be left with a higher tax burden as a result. I think it is time we put the self-employed on an equal footing with corporations. Therefore, I am introducing today legislation that would establish a full 100 percent deduction for health insurance costs paid by the self-employed. In addition, my bill would make the deduction permanent, as it is for corporations. If my

bill is enacted, the self-employed will no longer have to worry each year that their deduction for health insurance costs may be completely eliminated.

Of course, consideration of this measure should in no way diminish the importance of or divert our attention away from the ultimate goal of a complete overhaul of our health care system. Only through such comprehensive restructuring of our system can we guarantee all citizens access to affordable, quality coverage while reining in skyrocketing health costs. We must not take our eyes off of this goal.

However, the measure I am introducing today recognizes the reality that such a comprehensive health care reform plan will take time to pass and implement. Many self-employed individuals cannot wait that long; they are perilously close to losing their insurance or simply cannot afford coverage in the first place. I believe we have a responsibility to do all we can now to help these individuals, and that is exactly what my bill is designed to do.

I ask unanimous consent that the full text of the bill be printed in the RECORD following my remarks.

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

S. 381

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

SECTION 1. HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.

(a) DEDUCTION MADE PERMANENT.—
(1) IN GENERAL.—Section 162(1) of the Internal Revenue Code of 1986 (relating to special rules for health insurance costs of self-employed individuals) is amended by striking paragraph (6).

(2) CONFORMING AMENDMENT.—Section 110(a) of the Tax Extension Act of 1991 is amended by striking paragraph (2).

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years ending after June 30, 1992.

(b) INCREASE IN AMOUNT OF DEDUCTION.—
(1) IN GENERAL.—Paragraph (1) of section 162(1) of such Code is amended by striking "25 percent of".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning after December 31, 1992.

By Mr. MOYNIHAN (for himself, Mr. RIEGLE, Mr. MITCHELL, Mr. BRADLEY, Mr. ROCKEFELLER, Mr. DASCHLE, and Mr. CONRAD) (by request):

S. 382. A bill to extend the emergency unemployment compensation program, and for other purposes; to the Committee on Finance.

EMERGENCY UNEMPLOYMENT COMPENSATION AMENDMENTS OF 1993

● Mr. MOYNIHAN. Mr. President, I am pleased to introduce at the request of President Clinton a bill that has enormous importance for the 300,000 American workers and their families who each month are exhausting their regular State unemployment compensation benefits.

Senators will recall that in November 1991 the Congress passed a law establishing a temporary Federal emergency unemployment compensation program. This was not new. We have enacted similar temporary programs in recessions over the last three decades. As we had done before, we determined that there needed to be additional weeks of benefits for those long-term unemployed workers who were victims of recession, and who had exhausted the 26 weeks of benefits ordinarily payable under the regular State programs. And last July, when the emergency program was due to expire, we voted to extend it through March 6 of this year.

At that time we hoped that the Nation's employment picture would improve sufficiently so that no further action would be required. Unfortunately, that has not turned out to be the case. The Nation's unemployment rate now stands at 7.1 percent, higher even than the 6.9 percent rate that prevailed when the program was first enacted. There are now 9 million unemployed American workers.

As Deputy Commissioner Barron of the Bureau of Labor Statistics pointed out earlier this month, unemployment is at the same level as it was a year ago, and the pace of job growth has been slow compared with previous recoveries.

By this stage of the typical postwar recovery, 22 months after the trough of the recession, a total of 3.7 million new payroll jobs had been created. A scant 498,000 jobs have been produced this time around.

About one-half of the decline in the unemployment rate, from a peak of 7.8 percent in June 1992, to 7.1 percent in January, is simply the result of 466,000 workers leaving the labor force. Indeed, had the labor force grown at its usual pace since June 1992 instead of falling, 1 million additional Americans would be counted as officially unemployed now, and the unemployment rate in January would have been little changed from last June's level.

Although the economic indicators are improving, and unemployment may be expected to decline slowly in the months to come, that improvement will not come in time to help those who face today's weak job market. Accordingly, we cannot allow the present program of emergency benefits to expire at this time.

The President has asked that the present program be extended through the end of the fiscal year, to October 2, 1993. Workers who exhaust their regular State benefits on or before that date will be eligible for up to 26 weeks of benefits in States with high unemployment, and 20 weeks in all other States. These are the same numbers of weeks of benefits for which they are eligible under current law.

As part of this same bill, the President is also proposing a measure to

speed the return of long-term unemployed workers to full-time employment. The Secretary of Labor will assist States in implementing a so-called profiling program that identifies dislocated workers receiving unemployment compensation who are in particular need of help in finding new jobs. These individuals, who otherwise may face very long-term unemployment, can then be given job search assistance, or can be referred to an appropriate job training program.

Mr. President, this bill invokes the emergency spending authority that was established in the 1990 budget agreement. That agreement requires both the President and the Congress to concur in designating any spending as an emergency requirement. In the past the Congress willingly agreed to designate as emergency spending certain costs associated with Operation Desert Storm. These were one-time costs to deal with a specific, critical situation.

This is also a critical situation, but for American workers here at home—those whose regular unemployment benefits have run out and who can't pay the mortgage, or can't afford to take a sick child to the doctor.

To underscore the urgency of this measure, Senators need only to recall the announcement by Sears in January that it will soon be cutting 50,000 jobs, or nearly 15 percent of the company's merchandising staff. Added to that are upcoming cuts by General Motors of 18,000 jobs; by Boeing of 30,000 jobs; by McDonnell Douglas of 10,200 jobs. And IBM has announced a cut of 25,000 jobs, with a possibility of another 15,000 to come.

Mr. President, the Committee on Finance will be holding hearings tomorrow, as will be House Committee on Ways and Means. I hope we will send this bill to the President as quickly as possible. There must be no failure on the part of this institution and of this Government to ensure continued payment of these emergency unemployment benefits.

I ask unanimous consent that the text of the bill be included in the RECORD at this point.

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

S. 382

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 "Emergency Unemployment Compensation Amendment of 1993".

SEC. 2. EXTENSION OF EMERGENCY UNEMPLOYMENT COMPENSATION PROGRAM

(a) GENERAL RULE.—Sections 102(f)(1) and 106(a)(2) of the Emergency Unemployment Compensation Act of 1991 (Public Law 102-164, as amended) are each amended by striking "March 6, 1993" and inserting "October 2, 1993".

(b) MODIFICATION TO FINAL PHASE-OUT.—Paragraph (2) of section 102(f) of such Act is amended—

(1) by striking "March 6, 1993" and inserting "October 2, 1993", and

(2) by striking "June 19, 1993" and inserting "January 15, 1994".

(c) CONFORMING AMENDMENT.—Paragraph (1) of section 101(e) of such Act is amended by striking "March 6, 1993" each place it appears and inserting "October 2, 1993".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to weeks beginning after March 6, 1993.

SEC. 3. TREATMENT OF RAILROAD WORKERS.

(a) EXTENSION OF PROGRAM.—

(1) IN GENERAL.—Paragraph (1) and (2) of section 501(b) of the Emergency Unemployment Compensation Act of 1991 (Public Law 102-164, as amended) are each amended by striking "March 6, 1993" and inserting "October 2, 1993".

(2) CONFORMING AMENDMENT.—Section 501(a) of such Act is amended by striking "March 1993" and inserting "October 1993".

(b) TERMINATION OF BENEFITS.—Section 501(e) of such Act is amended—

(1) by striking "March 6, 1993" and inserting "October 2, 1993", and

(2) by striking "June 19, 1993" and inserting "January 15, 1994".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to weeks beginning after March 6, 1993.

SEC. 4. PROFILING OF NEW CLAIMANTS.

(a) GENERAL RULE.—The Secretary of Labor shall establish a program for encouraging the adoption and implementation by all States of a system of profiling all new claimants for regular unemployment compensation (including new claimants under each State unemployment compensation law which is approved under the Federal Unemployment Tax Act (26 U.S.C. 3301-3311) and new claimants under Federal unemployment benefit and allowance programs administered by the State under agreements with the Secretary of Labor), to determine which claimants may be likely to exhaust regular unemployment compensation and may need reemployment assistance services to make a successful transition to new employment.

(b) TECHNICAL ASSISTANCE TO STATES.—The Secretary of Labor shall provide technical assistance and advice to the States in the development of model profiling systems and the procedures for such systems. Such technical assistance and advice shall be provided by the utilization of such resources as the Secretary deems appropriate, and the procedures for such profiling systems shall include the effective utilization of automated data processing.

(c) FUNDING OF ACTIVITIES.—For purposes of encouraging the development and establishment of model profiling systems in the States, the Secretary of Labor shall provide to each State, from funds available for this purpose, such funds as may be determined by the Secretary to be necessary.

(d) REPORT TO CONGRESS.—Within 30 months after the date of the enactment of this Act, the Secretary of Labor shall report to the Congress on the operation and effectiveness of the profiling systems adopted by the States, and the Secretary's recommendation for continuation of the systems and any appropriate legislation.

(e) STATE.—For purposes of this section, the term "State" has the meaning given such term by section 3306(j)(1) of the Internal Revenue Code of 1986.

(f) EFFECTIVE DATE.—The provisions of this section shall take effect on the date of the enactment of this Act.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for nonrepayable advances to the account for

"Advances to the Unemployment Trust Fund and Other Funds" in the Department of Labor Appropriations Acts (for transfer to the "extended unemployment compensation account" established by section 905 of the Social Security Act) such sums as may be necessary to carry out the purposes of the amendments made by section 2 of this Act.

SEC. 6. EMERGENCY DESIGNATION.

Pursuant to section 251(b)(2)(D)(i) and 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates all direct spending amounts provided by this Act (for all fiscal years) and all appropriations authorized by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

Mr. RIEGLE, Mr. President, I strongly support the legislation to extend the Emergency Unemployment Compensation Program. The Emergency Unemployment Compensation Program is critical to meeting the lingering human costs of the recession. We cannot allow this program to expire.

We are currently in a jobs recession that is among the longest in the past 50 years. It has taken a harsh toll on our people. Since the recession began, two million jobs have been lost. Over 15 million Americans are unemployed. Millions more work in part-time jobs that are inadequate to meet their families' needs.

Recent announcements by General Motors, Sears, and IBM represent devastating losses and are dramatic evidence of the fundamental problems that exist in this country. But it is not just major corporations that are facing difficulties in this economy: small- and medium-sized businesses have not been growing the way we want them to.

The Emergency Unemployment Compensation Program is an important weapon in combatting the effects of the recession. We need to enact this legislation quickly. But, more must be done to develop a long-term economic strategy that allows us to regain our economic strength and put Americans back to work. I will continue to work with the Clinton administration to get our economy back on track.

I commend the chairman of the Finance Committee, Senator MOYNIHAN, for offering this important legislation and I commend the President for making this bill a top priority. I urge my colleagues to help pass this bill quickly so our working people have the resources to weather this difficult economic time.

By Mr. PELL (for himself, Mr. KENNEDY, Mr. JEFFORDS, and Mr. SIMON):

S. 383. A bill to shift impact aid funding responsibility for military connected children from the Department of Education to the Department of Defense; to the Committee on Labor and Human Resources.

MILITARY DEPENDENTS EDUCATION ACT OF 1993
 • Mr. PELL, Mr. President, the children of our military personnel are

being shortchanged when it comes to education. Despite a \$270 billion budget, the Department of Defense has little responsibility for the education of military children who live on bases throughout our country, but attend school within the community where the base is located. School districts find themselves in a double-bind when a Federal activity, such as the operation of a military base, results in an increased number of children to educate and a depleted tax base from which to draw support for their education.

On the Federal level we established the Impact Aid Program to provide financial assistance to such school districts. The reality, though, is that impact aid is underfunded and our children are underserved. Local communities have been forced to absorb the costs of educating military children, and frequently the result is a diminished education for all children in a district.

President Clinton has articulated a new covenant between the American people and our Government which can be summed up in two words: opportunity and responsibility. To my mind, our job in Congress is to help make good on that pledge and I believe an excellent place to begin is with the education of children whose parents serve in the Armed Forces.

Today, I am introducing the Military Dependents Education Act. The bill takes a number of steps to expand educational opportunity for military children. First, it transfers impact aid funding responsibility for military dependents from the Department of Education to the Department of Defense, where it belongs. And second, the bill requires the Department of Defense to provide school districts with the financial capacity to adequately serve disabled students.

This second aspect of the legislation addresses an area with which I am especially concerned—the effects of military personnel assignments on behalf of families with severely handicapped children. The military often confers special post-compassionate assignments for personnel to area school districts with outstanding special needs programs. The military, however, does not share in the cost of educating these children.

In my own home State of Rhode Island, the Middletown school district is in perilous financial shape because of its outstanding special needs program. Middletown's special needs program is attractive to many military families with disabled children. The military makes post-compassionate assignments, and as a result, Middletown has a number of these students to educate. Like many communities Middletown welcomes disabled military children, but is saddled with a per pupil cost that reaches as high as \$100,000.

With a budget nearly 10 times the size of the Department of Education, the military is in a better position to assure military families that their children will receive a good, solid education. It can do that if it begins to bear full responsibility for funding the education costs of all military children.

Mr. President, impact aid is an extraordinarily complex program that focuses far too often on the education of the children involved, but on the impact those children have on a local school district. We often do not examine the needs of the children. Instead, we attempt to measure how their presence affects the finances of a school district.

Worse still, we inadequately compensate school districts for the financial burden they are asked to carry. Throughout the past decade, appropriations have been insufficient to meet the task at hand and I fear that the future will not be much different.

During this session of Congress, we will be reauthorizing the Impact Aid Program. To my mind the time may well be at hand to place the Impact Aid Program within the Department of Defense where it might be fashioned to meet the needs of these children directly, and not simply recognize their existence. The Department of Defense accepts responsibility for the housing of our soldiers' families, and for their health care. It should assume responsibility for their education as well.

Impact aid will be reauthorized. All aspects of the program will be discussed and I assure my colleagues and the Middletown school district that the role of the military in impact aid will be given very serious and thoughtful consideration.

Mr. President, I ask that the full text of the legislation be printed at this point in the RECORD.

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

S. 383

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 "Military Dependents Education Act of 1993".

SEC. 2. FUNDING RESPONSIBILITY FOR MILITARY CONNECTED CHILDREN.

Title I of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) is amended by adding at the end the following new section:

"FUNDING RESPONSIBILITY FOR MILITARY CONNECTED CHILDREN

"SEC. 8. (a) COMPUTATION OF AMOUNT.—

"(1) IN GENERAL.—For the purpose of computing the amount which a local educational agency is entitled to receive under section 2, 3 or 4 for military connected children in each fiscal year, the Secretary shall determine, for each local educational agency receiving assistance under this Act, the number of children referred to in—

"(A) section 3(a) who reside on a military installation;

"(B) section 3(b)(1) who reside on a military installation;

"(C) section 3(b)(2) who have a parent employed on a military installation; and

"(D) section 3(b)(3).

"(2) TOTAL AMOUNT OF PAYMENTS.—The Secretary shall determine the total amount of payments all local educational agencies are entitled to receive under section 2, 3 or 4 for military connected children in each fiscal year.

"(b) TRANSFER OF FUNDS.—From any amounts available to the Secretary of Defense, the Secretary of Defense shall transfer to the Secretary of Education in each fiscal year the total amount of funds necessary for the Secretary of Education to make all of the payments described in subsection (a)(2) for such fiscal year.

"(c) SPECIAL RULES.—Notwithstanding any other provision of law, funds made available by the Secretary of Defense to the Secretary of Education for military connected children pursuant to subsection (b) shall be—

"(1) the only funds used to make payments under section 2, 3 or 4 to local educational agencies for military connected children; and

"(2) distributed to such local educational agencies in accordance with the provisions of this Act which are not inconsistent with—

"(A) the provisions of this section; and

"(B) shifting only the funding responsibility for such military connected children from the Department of Education to the Department of Defense.

"(d) DEFINITIONS.—For the purpose of this section—

"(1) the term 'military connected children' means the children described in subparagraphs (A) through (D) of subsection (a)(1); and

"(2) the term 'military installation' has the same meaning given to such term in section 2801(c) of title 10, United States Code."

SEC. 3. MILITARY CONNECTED CHILDREN WITH DISABILITIES.

Subparagraph (C) of section 3(d)(2) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) is amended—

(1) by redesignating clauses (ii), (iii) and (iv) as clauses (iii), (iv) and (v), respectively;

(2) in clause (i), by striking "and children with specific learning disabilities for whom a determination is made under subsection (a)(2) or (b)(3)";

(3) by inserting after clause (i) the following new clause:

"(ii)(I) The amount of an entitlement of any local educational agency under this section for any fiscal year with respect to military connected children with disabilities and for whom such local educational agency is providing a program designed to meet the special and related needs of such children shall be—

"(aa) in the case of any local educational agency with respect to which the number of such children is determined under subsection (a), an amount equal to 100 percent of the average per pupil expenditure in the State or such expenditure in the United States, whichever is greater, multiplied by the number of such children determined under such subsection plus the product obtained with respect to such agency under division (bb); and

"(bb) in any other case, an amount equal to 25 percent of the average per pupil expenditure in the State or such expenditure in the United States, whichever is greater, multiplied by the number of such children determined with respect to such agency for such fiscal year under subsection (b).

"(II) For the purpose of this clause, the term 'military connected children with disabilities' means individuals who are—

"(aa) military connected children as such term is defined in section 8(d)(1); and

"(bb) children with disabilities.";

(4) in clause (iii) (as redesignated in paragraph (1)), by striking "division (iii)" and inserting "division (iv)"; and

(5) by amending clause (v) (as redesignated in paragraph (1)) to read as follows:

"(v) For the purpose of this subparagraph the term 'children with disabilities' means—

"(I) children with disabilities as such term is defined in section 602(1) of the Individuals with Disabilities Education Act; and

"(II) children with specific learning disabilities as such term is defined in section 602(15) of such Act.".

• Mr. SIMON. Mr. President, I commend my colleague from Rhode Island for his leadership in legislation that shifts the military portion of impact aid from the Education Department to the Defense Department. I am pleased to be an original cosponsor of this bill.

Impact aid compensates local school districts that educate students connected with a Federal activity—such as a military base—but are not able to tax the Federal Government to raise the funds to cover the costs of educating them. But impact aid generally covers only a third of the costs of educating military children. This leaves taxpayers with most of the burden, but without the tax base to pay for it, and hampers local schools' ability to provide all students with the quality education they deserve. Not only does our Federal activity reduce revenue from local property taxes, but it can substantially increase the number of students that local schools must educate.

By not adequately reimbursing local schools for this cost, the Federal Government is shortchanging these districts—and in many areas local taxpayers are taking up the slack. For example, North Chicago District 187 is losing up to \$4,000 per year for each military child. The people of North Chicago have made every effort to provide a quality education for their students, including passing a referendum to raise property taxes to one of the highest rates in Illinois. Despite this effort, their budget shortfall forced them to cut 45 of 140 teachers. Highland Park and other Illinois districts—as well as school districts throughout the country—face similar problems. Our students deserve better.

I have also asked Secretary Aspin to consider having the Department of Defense take over the military portion of the Impact Aid Program. The Federal defense budget is nearly 10 times larger than our education budget. Clearly, there is much more room for providing adequate funding for this program within the defense budget than in the already severely underfunded education budget. In fact, impact aid appropriations are approximately the same as the cost of one B-2 bomber.

Mr. President, the cost of educating military dependents should be included in the defense budget. It is a cost of doing business. Ironically, if a military

base is located where there is no local school district, the Defense Department pays the full cost of educating military dependents. If, however, there is a local school, the Education Department barely covers one-third of the costs, and the local taxpayers shoulder the rest. This must change. I urge my colleagues to join me in supporting this important legislation. •

By Mr. D'AMATO (for himself, Mr. DODD, Mr. BRYAN, Mr. DOLE, Mr. BOND, Mr. GRAMM, Mr. MACK, Mr. FAIRCLOTH, Mr. BENNETT, Mr. DOMENICI, Mr. SHELBY, Mr. CHAFEE, Mr. NICKLES, Mr. CONRAD, Mr. MURKOWSKI, Mr. STEVENS, Mr. LIEBERMAN, Mr. COHEN, Mr. PRESSLER, Mr. GORTON, Mrs. KASSEBAUM, Mr. DANFORTH, and Mr. JEFFORDS):

S. 384. A bill to increase the availability of credit to small businesses by eliminating impediments to securitization and facilitating the development of a secondary market in small business loans, and for other purposes.

SMALL BUSINESS LOAN SECURITIZATION AND SECONDARY MARKET ENHANCEMENT ACT

• Mr. D'AMATO. Mr. President, tonight President Clinton will address the Congress to present his economic program. The President's economic stimulus package will probably include Government spending programs to improve our Nation's infrastructure.

Before the President presents his economic program, I would like to let him know that the financial infrastructure that supports our economy—the Nation's banking system—is in dire need of repair.

Credit is the lifeblood of the economy and banks are the major arteries that channel credit to our Nation's businesses. But we all know that there has been a real credit crunch for America's small businesses. They cannot get the credit essential to buy equipment or inventory or to hire new workers.

The best way to restore the health of the economy is to provide for a strong infusion of credit to the small businesses that are the engine of economic growth. So if President Clinton wants to improve the infrastructure, I suggest that we start by building a bridge that links Wall Street with Main Street.

While our small businesses are starved for credit, there is no credit crunch for home buyers. This is because we have a strong secondary market in residential mortgages that facilitates the flow of credit from the capital markets to those who want to finance a home.

In 1984 Congress removed regulatory impediments to selling securities backed by pools of residential mortgages by enacting the Secondary Mortgage Market Enhancement Act. We

need to do the same for small businesses by facilitating capital market investment in securities backed by small business loans.

Removing unnecessary barriers to the development of a secondary market in small business loans will help bankers, small business borrowers, and investors alike:

Banks will be able to originate more small business loans without having to raise additional capital because the loans will be sold to investors rather than kept on the bank's books.

Small businesses will gain access to the capital markets, making more credit available at lower prices.

Institutional and individual investors will be able to fund small businesses by purchasing investment grade securities backed by small business loans.

Mr. President, today I am introducing the Small Business Loan Securitization and Secondary Market Enhancement Act. This legislation removes unnecessary barriers in our securities, banking, pension, and tax laws that deter the development of a secondary market in securities backed by small business loans.

The bill removes certain restrictions in the margin and securities delivery rules under our Federal securities laws so that issuers have sufficient time to pool small business loans and sell them as securities.

My bill removes impediments under State securities laws by permitting issuers of securities backed by small business loans to file a single registration statement with the SEC rather than have to spend the time and money to register those securities in each of the 50 States.

The bill changes the capital requirements under our banking laws so that financial institutions that sell small business loans will not be required to hold prohibitively excessive amounts of capital against these loans. Instead, the bill sets capital requirements that more accurately protect banks against any potential losses that may arise under arrangements used to sell small business loans.

The legislation also removes certain restrictions under ERISA [the Employee Retirement Income Securities Act] by directing the Secretary of Labor to grant an exemption to permit financial institutions that manage pension funds to participate in the pooling and packaging of small business loans for sale as securities.

My bill also facilitates the sale of small business securities by directing the Secretary of the Treasury to clarify the tax rules relating to these securities. This is the same approach Congress took in 1986 when it adopted provisions that cover the sale of mortgage backed securities—the so-called REMIC rules.

Mr. President, in addition to removing barriers to securitization of small

business loans, this legislation facilitates the development of a secondary market by expanding the number of potential investors.

The legislation amends both the Federal banking laws and State investment laws so that banks, savings associations, credit unions, insurance companies, and pension funds can invest in securities backed by small business loans that are investment grade.

Mr. President, any program to improve our infrastructure should begin with the demolition of the regulatory toll booths that clutter our financial highways and slow down the delivery of the credit that is essential to our economic recovery. By facilitating the securitization of small business loans, this legislation builds a badly needed bridge with only one destination—a strong and growing economy.

Mr. President, my bill will help small businesses obtain badly needed credit, but more can be done to provide incentives for small businesses to expand employment. There are many proposals to provide a tax credit for investments in plant and equipment. However, these investment tax credit proposals ignore a business' most valuable asset—the employees. I think we should give small businesses a tax credit for hiring new workers.

I ask unanimous consent that an excellent article discussing this proposal, written by Muriel Siebert, former New York State banking superintendent and a well-respected member of the securities profession, be inserted in the RECORD.

Mr. President, I ask unanimous consent that the text of the bill be printed in the CONGRESSIONAL RECORD.

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

S. 384

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 "Small Business Loan Securitization and Secondary Market Enhancement Act of 1993".

SEC. 2. SMALL BUSINESS RELATED SECURITY.

(a) DEFINITION.—Section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)) is amended by adding at the end the following new paragraph:

"(53)(A) The term 'small business related security' means a security that is rated in 1 of the 4 highest rating categories by at least 1 nationally recognized statistical rating organization, and either—

"(i) represents an interest in 1 or more promissory notes evidencing the indebtedness of a small business and originated by an insured depository institution (as defined in section 3 of the Federal Deposit Insurance Act), credit union, insurance company, or similar institution which is supervised and examined by a Federal or State authority; or

"(ii) is secured by an interest in 1 or more promissory notes (with or without recourse to the issuer) and provides for payments of principal in relation to payments, or reason-

able projections of payments, on notes meeting the requirements of subparagraph (A).

"(B) For purposes of this paragraph—

"(i) an interest in a promissory note includes ownership rights, certificates of interest or participation in such notes, and rights designed to assure servicing of such notes, or the receipt or timely receipt of amounts payable under such notes; and

"(ii) a small business is a business that meets the criteria for a 'small business concern' established under section 3(a) of the Small Business Act."

(b) CONFORMING AMENDMENT.—Section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)) is amended by redesignating paragraph (51) defining the term "foreign financial regulatory authority" as paragraph (52) and inserting such paragraph after paragraph (51), defining the term "penny stocks".

SEC. 3. APPLICABILITY OF MARGIN REQUIREMENTS.

Section 7(g) of the Securities Exchange Act of 1934 (15 U.S.C. 78g(g)) is amended by inserting "or a small business related security" after "mortgage related security".

SEC. 4. BORROWING IN THE COURSE OF BUSINESS.

Section 8(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78h(a)) is amended in the last sentence by inserting "or a small business related security" after "mortgage related security".

SEC. 5. SMALL BUSINESS RELATED SECURITIES AS COLLATERAL.

Clause (ii) of section 11(d)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78k(d)(1)) is amended by inserting "or any small business related security" after "mortgage related security".

SEC. 6. INVESTMENT BY DEPOSITORY INSTITUTIONS.

(a) HOME OWNERS' LOAN ACT AMENDMENT.—Section 5(c)(1) of the Home Owners' Loan Act (12 U.S.C. 1464(c)(1)) is amended by adding at the end the following new subparagraph:

"(S) SMALL BUSINESS RELATED SECURITIES.—Investments in small business related securities (as defined in section 3(a)(53) of the Securities Exchange Act of 1934), subject to such regulations as the Director may prescribe, including regulations concerning the minimum size of the issue (at the time of the initial distribution) or minimum aggregate sales price, or both."

(b) CREDIT UNIONS.—Section 107(15) of the Federal Credit Union Act (12 U.S.C. 1757(15)) is amended—

(1) in subparagraph (A), by striking "or" at the end;

(2) in subparagraph (B), by inserting "or" at the end; and

(3) by adding at the end the following new subparagraph:

"(C) are small business related securities (as defined in section 3(a)(53) of the Securities Exchange Act of 1934), subject to such regulations as the Board may prescribe, including regulations prescribing the minimum size of the issue (at the time of the initial distribution) or minimum aggregate sales price, or both;"

(c) NATIONAL BANKING ASSOCIATIONS.—Section 5136 of the Revised Statutes (12 U.S.C. 24) is amended in the last sentence in the first full paragraph of paragraph Seventh by striking "or (B) are mortgage" and inserting the following: "(B) are small business related securities (as defined in section 3(a)(53) of the Securities Exchange Act of 1934); or (C) are mortgage".

SEC. 7. PREEMPTION OF STATE LAW.

(a) IN GENERAL.—Section 106(a)(1) of the Secondary Mortgage Market Enhancement

Act of 1984 (15 U.S.C. 77r-1(a)(1)) is amended—

(1) by striking "or" at the end of subparagraph (B);

(2) by redesignating subparagraph (C) as subparagraph (D); and

(3) by inserting after subparagraph (B) the following new subparagraph:

"(C) small business related securities (as defined in section 3(a)(53) of the Securities Exchange Act of 1934), or"

(b) OBLIGATIONS OF THE UNITED STATES.—Section 106(a)(2) of the Secondary Mortgage Market Enhancement Act of 1984 (15 U.S.C. 77r-1(a)(2)) is amended—

(1) by striking "or" at the end of subparagraph (B);

(2) by redesignating subparagraph (C) as subparagraph (D); and

(3) by inserting after subparagraph (B) the following new subparagraph:

"(C) small business related securities (as defined in section 3(a)(53) of the Securities Exchange Act of 1934), or"

(c) PREEMPTION OF STATE LAWS.—Section 106(c) of the Secondary Mortgage Market Enhancement Act of 1984 (15 U.S.C. 77r-1(c)) is amended—

(1) in the first sentence, by striking "or that" and inserting "that";

(2) by inserting "or that are small business related securities (as defined in section 3(a)(53) of the Securities Exchange Act of 1934)" before "shall be exempt"; and

(3) by adding at the end the following new subsection:

"(d) IMPLEMENTATION.—

"(1) LIMITATION.—The provisions of subsections (a) and (b) concerning small business related securities shall not apply with respect to a particular person, trust, corporation, partnership, association, business trust, or business entity or class thereof in any State that, prior to the expiration of 7 years after the date of enactment of this Act, enacts a statute that specifically refers to this section and either prohibits or provides for a more limited authority to purchase, hold, or invest in small business related securities by any person, trust, corporation, partnership, association, business trust, or business entity or class thereof than is provided in such amendments. The enactment by any State of any statute of the type described in the preceding sentence shall not affect the validity of any contractual commitment to purchase, hold, or invest that was made prior to such enactment, and shall not require the sale or other disposition of any small business related securities acquired prior to the date of such enactment.

"(2) ENACTMENT OF STATE PROVISIONS.—Any State may, not later than 7 years after the date of enactment of this Act, enact a statute that specifically refers to this section and requires registration or qualification of any small business related securities on terms that differ from those applicable to any obligation issued by the United States."

SEC. 8. INSURED DEPOSITORY INSTITUTION CAPITAL REQUIREMENTS FOR TRANSFERS OF SMALL BUSINESS LOANS AND INVESTMENTS IN SMALL BUSINESS RELATED SECURITIES.

(a) ACCOUNTING PRINCIPLES.—The accounting principles applicable to the transfer of a small business loan with recourse contained in reports or statements required to be filed with the appropriate Federal banking agencies by all insured depository institutions shall be uniform and consistent with generally accepted accounting principles.

(b) CAPITAL REQUIREMENTS.—The amount of capital required to be maintained by an

insured depository institution under applicable capital standards and other capital measures with respect to the sale of a small business loan with recourse, as reported under subsection (a), shall not exceed an amount sufficient to meet the institution's reasonable estimated liability under the recourse arrangement.

(c) INVESTMENTS IN SMALL BUSINESS RELATED SECURITIES.—A small business related security shall be treated as a similarly rated mortgage-backed security under the risk-based capital requirement applicable to insured depository institutions.

(d) REGULATIONS REQUIRED.—Not later than 180 days after the date of enactment of this Act, each appropriate Federal banking agency shall promulgate final regulations implementing this section not later than 180 days after the date of enactment of this Act.

(e) DEFINITIONS.—For purposes of this section—

(1) the term "appropriate Federal banking agency" has the same meaning as in section 3 of the Federal Deposit Insurance Act;

(2) the term "capital standards" has the same meaning as in section 38(c) of the Federal Deposit Insurance Act;

(3) the term "insured depository institution" has the same meaning as in section 3 of the Federal Deposit Insurance Act;

(4) the term "other capital measures" has the same meaning as in section 38(c) of the Federal Deposit Insurance Act;

(5) the term "recourse" shall have the meaning given such term under generally accepted accounting principles;

(6) the term "small business" means a business that meets the criteria for a small business concern established under section 3(a) of the Small Business Act; and

(7) the term "small business related security" has the same meaning as in section 3(a)(53) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(53)).

SEC. 9. TRANSACTIONS IN SMALL BUSINESS RELATED SECURITIES BY EMPLOYEE BENEFIT PLANS.

(a) PROHIBITED TRANSACTION EXEMPTION.—The Secretary of Labor, in consultation with the Secretary of the Treasury, shall exempt transactions involving small business related securities (as defined in section 3(a)(53) of the Securities Exchange Act of 1934 (as added by section 2 of this Act)), either unconditionally or on stated terms and conditions, from the restrictions of sections 406 and 407 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1106, 1107) and the taxes imposed under section 4975 of the Internal Revenue Code of 1986 (26 U.S.C. 4975).

(b) CONDITIONS.—In providing for the exemption required under subsection (a) the Secretary of Labor shall consider—

(1) the importance of facilitating transactions in small business related securities; and

(2) the necessity of imposing any term or condition to protect the rights and interests of participants and beneficiaries of such plan.

(c) REGULATIONS.—Not later than 180 days after the date of enactment of this Act, the Secretary of Labor shall promulgate final regulations to carry out subsection (a).

SEC. 10. TAXATION OF SMALL BUSINESS LOAN INVESTMENT CONDUITS.

(a) TAXATION SIMILAR TO REMIC.—The Secretary of the Treasury shall promulgate regulations providing for the taxation of a small business loan investment conduit and the holder of an interest therein similar to the taxation of a real estate mortgage investment conduit and the holder of interests

therein under the Internal Revenue Code of 1986.

(b) ADJUSTMENT TO REMIC PROVISIONS.—In promulgating regulations under subsection (a), the Secretary shall make any necessary adjustments to the real estate mortgage investment conduit provisions to take into consideration—

(1) the purpose of facilitating the securitization of small business loans through the use of small business loan investment conduits and the development of a secondary market in small business loans;

(2) differences in the nature of qualifying mortgages in a real estate mortgage investment conduit and small business loans and obligations; and

(3) differences in the practices of participants in the securitization of real estate mortgages in a real estate mortgage investment conduit and the securitization of other assets.

(c) SMALL BUSINESS LOAN INVESTMENT CONDUIT DEFINED.—For purposes of this section, the term "small business loan investment conduit" means—

(1) any entity substantially all of the assets of which consist of any obligation (including any participation or certificate of beneficial ownership therein) of a business that meets the criteria for a small business concern established under section 3(a) of the Small Business Act; and

(2) if such obligation was originated by an insured depository institution (as defined in section 3 of the Federal Deposit Insurance Act), credit union, insurance company, or similar institution which is supervised and examined by an appropriate Federal or State authority.

[From the New York Times, Jan. 6, 1993]

HIRE WORKERS; GET A TAX CREDIT

(By Muriel Siebert)

There is a bright side to corporate downsizing, which economists say still has at least another year to play itself out as I.B.M., American Express, General Motors and other giants respond to global competition by reducing labor costs.

Small businesses have become the superstars of job creation, producing up to 80 percent of new jobs in recent years. Between 1980 and 1990, when Fortune 500 companies eliminated 400,000 jobs a year, small businesses created 14.8 million. That's well beyond the total number of jobs created by Japan (5.9 million), Canada (1.8 million) and most of Western Europe (3.5 million) combined in that same period.

Considering the success of small businesses in today's service sector and their willingness to take on and retain new employees, it would be innovative and economically sound for the Clinton Administration and Congress to give business a tax credit for hiring additional people.

Many of those hired would be middle managers, members of the once solid, middle class, who constitute a majority of those who have lost jobs during the corporate shrinkage. A study for the National Association of Women Business Owners projected that businesses owned and operated by women would employ more people than the Fortune 500 companies by the end of 1992. Forty percent of these businesses have been in business for more than a dozen years.

Unlike monolithic Fortune 500 companies, small businesses behave like families. The association study indicated that one reason for the durability of businesses owned by women is the value they place on their worker. It showed that small businesses hold on

to workers through periods when revenues decline. Rather than eliminate workers, they tend to cut other expenses, including their own salaries.

That contrasts with big businesses, where chief executive officers cut the work force sharply while keeping their salaries and perks. Nearly half of the workers laid off by large companies have to swallow pay reductions when they find new full-time work; two out of three work for at least 20 percent less money than before.

If the 3.31 million skilled workers who are unemployed don't find jobs, they could be a drag on the economy for years. Even an uptick in the economy is likely to absorb only a small number of them.

A job-creation credit is as meritorious as the much discussed investment tax credit—a tax break for capital spent on plant and equipment.

How about a tax credit equal to 25 percent of the wages paid every new worker hired by any company over a two-year period after the credit went into effect? To avoid rewarding businesses for merely replacing employees, only companies that increased payrolls by hiring additional employees would qualify.

This revenue subtracted from one side of the Government's ledger would be significantly offset by taxes paid by the new employees, a reduction in unemployment benefits and public assistance costs. In addition, the multiplier effect caused by the impact of new wages filtering through the economy would create additional business and jobs.

A new-job credit is a sensible way to give the economy a boost at a moment when economists believe that big business's harsh measures will result in fewer but more efficient companies and, ultimately, a more competitive economy. The credit would help get Americans back to work by helping to create new jobs.*

By Mr. RIEGLE (for himself and Mr. LEVIN):

S. 385. A bill to change the tariff classification for light trucks; to the Committee on Finance.

LIGHT TRUCK TARIFF ACT OF 1993

Mr. RIEGLE. Mr. President, I rise to introduce legislation to correct a gross error by the U.S. Treasury Department on the proper tariff classification for multipurpose vehicles, known as MPV's. In 1989, the U.S. Customs Service classified MPV's as trucks. This ruling was based on their technical judgment that these vehicles were structurally indistinguishable from trucks. In fact, MPV's are classified as light trucks for a number of purposes, such as emissions requirements, the gas-guzzler tax, and fuel economy standards. However, within 2 weeks, and under pressure from Japanese car makers, the Bush administration's Treasury Department overruled the technical expertise of the Customs Service and classified MPV's as cars for tariffs. This mistaken political decision not only cost the Federal Government revenues but also threatens the jobs of American workers.

The bill I introduce today is the same as legislation I sponsored during the 102d Congress. The bill would properly classify, as the U.S. Customs Service

ruled, two-door multipurpose vehicles as trucks and four-door MPV's as trucks at a 25-percent tariff, not passenger cars at a 2.5-percent tariff. This provision will raise Federal revenues by \$220 million in fiscal year 1992 and \$1 billion over the next 5 years. Provisions to correct this gross error in the classification of MPV's passed the Senate in March 1992, but were unfortunately stripped out of the tax bill during conference on H.R. 4210.

President Clinton has strongly criticized the Bush administration's actions regarding MPV's. I expect the Clinton administration to overturn this mistaken decision. I am introducing this bill to make sure that we retain our focus on it until the administration takes those steps necessary to correct this wrong. I ask unanimous consent that a copy of the legislation be included in the RECORD following my remarks.

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

S. 385

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

SECTION 1. TARIFF CLASSIFICATION OF LIGHT TRUCKS.

(a) IN GENERAL.—The Additional United States Notes to chapter 87 of the Harmonized Tariff Schedule of the United States is amended by redesignating note 2 as note 3 and by inserting after note 1 the following new note:

"2. Any passenger van, multipurpose van, sport utility vehicle, and other Jeep-type vehicle with a G.V.W. not exceeding 5 metric tons and a basic vehicle frontal area of 4.1805 square meters or less which is—

"(a) designed primarily for purposes of transportation of property or is a derivation of such a vehicle;

"(b) equipped with special features enabling offstreet or off-highway operations and uses; or

"(c) suitable for cargo-carrying purposes or other nonpassenger-carrying purposes through the removal of seats by means installed for that purpose by the manufacturer of the vehicle or with simple tools, such as screwdrivers or wrenches, so as to create a flat, floor level surface extending from the forwardmost point of installation of such seats to the rear of the vehicle's interior, shall be classified in heading 8704."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies with respect to merchandise entered, or withdrawn from warehouse for consumption, after the 15th day after the date of the enactment of this Act.

By Mrs. MURRAY (for herself, Mr. GRASSLEY, and Mr. PRESSLER):

S.J. Res. 48. A joint resolution to designate February 21 through February 27, 1993, as "National FFA Organization Awareness Week"; to the Committee on the Judiciary.

NATIONAL FFA ORGANIZATION AWARENESS WEEK
Mrs. MURRAY. Mr. President, for Senators who represent States in which agriculture plays a major eco-

nomie role, I am sure they are familiar with the excellent work of the National FFA Organization, formerly known as the Future Farmers of America. FFA was organized to foster character development, agricultural leadership, and responsible citizenship in young people with an interest in pursuing a life in agriculture. In addition, FFA activities supplement training opportunities for students studying agriscience, production agriculture, and agribusiness.

The FFA has succeeded magnificently in these endeavors. I propose to commemorate this good work by introducing a resolution today, Senate Joint Resolution 48 to designate the week of February 21 through the 27, 1993, as "National FFA Organization Awareness Week." I hope my colleagues will join me in this cause.

The National FFA Organization was founded on November 20, 1928, as a leadership organization for students of agriculture in public schools. FFA has served consistently and successfully for 65 years. Today, FFA is comprised of more than 400,000 in all 50 States and the U.S. territories. My resolution honors that record of success.

I ask unanimous consent that the text of Senate Joint Resolution 48 be printed in the RECORD, along with my statement. I hope my colleagues will express their support for youth in agriculture by joining me as a cosponsor of this bill.

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

S.J. RES. 48

Whereas the National FFA Organization was founded as a leadership organization for students of agricultural education in public schools;

Whereas each member lives by the FFA motto of "Learning to Do, Doing to Learn, Earning to Live, Living to Serve";

Whereas the National FFA Organization is dedicated to the development of competent agricultural leadership, citizenship, and cooperation;

Whereas the National FFA Organization is comprised of approximately 400,000 members in all 50 States, Puerto Rico, the District of Columbia, Guam, ROTA (Commonwealth of Northern Mariana Islands), Federated States of Micronesia, and the Marshall Islands;

Whereas the National FFA Organization prepares a student for postsecondary education or employment following high school;

Whereas the National FFA Organization is only open to those students enrolled in approved agricultural education programs;

Whereas the National FFA Organization was formally organized on November 20, 1928;

Whereas the National FFA Organization was organized to foster character development, agricultural leadership, and responsible citizenship, and to supplement training opportunities for students preparing for careers in agriscience, production agriculture, and agribusiness; and

Whereas the FFA is a national organization of high school agricultural students preparing for careers in agricultural production, processing, supply and service, mechanics, horticulture, forestry, and natural resources: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of February 21 through February 27, 1993, is designated as "National FFA Organization Awareness Week", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe the day with appropriate ceremonies and activities.

ADDITIONAL COSPONSORS

S. 2

At the request of Mr. FORD, the names of the Senator from Arkansas [Mr. BUMPERS], the Senator from Ohio [Mr. METZENBAUM], and the Senator from New Jersey [Mr. BRADLEY] were added as cosponsors of S. 2, a bill to establish national voter registration procedures for Federal elections, and for other purposes.

S. 12

At the request of Mr. BIDEN, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 12, a bill to authorize the Secretary of Commerce to make grants to States and local governments for the construction of projects in areas of high unemployment, and for other purposes.

S. 15

At the request of Mr. ROTH, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 15, a bill to establish a Commission on Government Reform.

S. 27

At the request of Mr. SARBANES, the name of the Senator from Colorado [Mr. CAMPBELL] was added as a cosponsor of S. 27, a bill to authorize the Alpha Phi Alpha Fraternity to establish a memorial to Martin Luther King, Jr., in the District of Columbia.

S. 69

At the request of Mr. BREAUX, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 69, a bill to amend the Internal Revenue Code of 1986 to repeal the luxury tax on boats.

S. 103

At the request of Mr. NICKLES, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 103, a bill to fully apply the rights and protections of Federal civil rights and labor laws to employment by Congress.

S. 155

At the request of Mr. DASCHLE, the names of the Senator from Minnesota [Mr. DURENBERGER] and the Senator from Oklahoma [Mr. BOREN] were added as cosponsors of S. 155, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain amounts received by a cooperative telephone company.

S. 158

At the request of Mr. DASCHLE, the name of the Senator from South Da-

kota [Mr. PRESSLER] was added as a cosponsor of S. 158, a bill to amend the Internal Revenue Code of 1986 to allow a deduction for travel expenses of certain loggers.

S. 171

At the request of Mr. GLENN, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 171, a bill to establish the Department of the Environment, provide for a Bureau of Environmental Statistics and a Presidential Commission on Improving Environmental Protection, and for other purposes.

S. 185

At the request of Mr. GLENN, the names of the Senator from California [Mrs. FEINSTEIN], the Senator from Minnesota [Mr. WELLSTONE], and the Senator from Nevada [Mr. REID] were added as cosponsors of S. 185, a bill to amend title 5, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the nation, to protect such employees from improper political solicitations, and for other purposes.

S. 208

At the request of Mr. BUMPERS, the names of the Senator from Missouri [Mr. BOND] and the Senator from Rhode Island [Mr. PELL] were added as cosponsors of S. 208, a bill to reform the concessions policies of the National Park Service, and for other purposes.

S. 221

At the request of Mr. LEVIN, his name was added as a cosponsor of S. 221, a bill to allow a prisoner under sentence of death to obtain judicial review of newly discovered evidence showing that he is probably innocent.

S. 261

At the request of Mr. LAUTENBERG, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 261, a bill to protect children from exposure to environmental tobacco smoke in the provision of children's services, and for other purposes.

S. 266

At the request of Mr. SIMON, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 266, a bill to provide for elementary and secondary school library media resources, technology enhancement, training, and improvement.

S. 277

At the request of Mr. SIMON, the names of the Senator from Indiana [Mr. COATS], the Senator from Rhode Island [Mr. PELL], and the Senator from Connecticut [Mr. LIEBERMAN] were added as cosponsors of S. 277, a bill to authorize the establishment of the National African American Museum within the Smithsonian Institution.

S. 286

At the request of Mr. BUMPERS, the name of the Senator from North Da-

kota [Mr. CONRAD] was added as a cosponsor of S. 296, a bill to require the Secretary of Agriculture to submit monthly financial obligation and employment reports to Congress for the Food and Safety and Inspection Service, and for other purposes.

S. 314

At the request of Mr. SARBANES, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 314, a bill to authorize appropriations for the National Historical Publications and Records Commission for fiscal year 1994 through fiscal year 1999.

S. 321

At the request of Mr. LEVIN, his name was added as a cosponsor of S. 321, a bill to amend the Internal Revenue Code of 1986 to provide a credit against tax for employers who provide onsite day-care facilities for dependents of their employees, and for other purposes.

S. 348

At the request of Mr. LEVIN, his name was added as a cosponsor of S. 348, a bill to amend the Internal Revenue Code of 1986 to permanently extend qualified mortgage bonds.

SENATE JOINT RESOLUTION 22

At the request of Mr. SPECTER, the names of the Senator from Illinois [Ms. MOSELEY-BRAUN], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Washington [Mrs. MURRAY], the Senator from Maine [Mr. COHEN], and the Senator from Colorado [Mr. BROWN] were added as cosponsors of Senate Joint Resolution 22, a joint resolution designating March 25, 1993, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

SENATE JOINT RESOLUTION 36

At the request of Mr. LEAHY, the names of the Senator from Georgia [Mr. COVERDELL], the Senator from Arizona [Mr. DECONCINI], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Mississippi [Mr. LOTT], the Senator from Tennessee [Mr. MATHEWS], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Washington [Mrs. MURRAY] were added as cosponsors of Senate Joint Resolution 36, a joint resolution to proclaim March 20, 1993, as "National Agriculture Day."

SENATE JOINT RESOLUTION 38

At the request of Mrs. KASSEBAUM, the names of the Senator from New York [Mr. D'AMATO], the Senator from Alaska [Mr. STEVENS], the Senator from Maryland [Mr. SARBANES], the Senator from Rhode Island [Mr. PELL], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Connecticut [Mr. DODD], the Senator from Arkansas [Mr. BUMPERS], and the Senator from Washington [Mrs. MURRAY] were added as cosponsors of Senate Joint Resolution 38, a joint resolution designating March 20, 1993, as "National Quilting Day."

SENATE JOINT RESOLUTION 40

At the request of Mr. KENNEDY, the names of the Senator from Colorado [Mr. BROWN] and the Senator from Missouri [Mr. DANFORTH] were added as cosponsors of Senate Joint Resolution 40, a joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for women and men.

SENATE JOINT RESOLUTION 41

At the request of Mr. SIMON, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of Senate Joint Resolution 41, a joint resolution proposing an amendment to the Constitution of the United States to require a balanced budget.

SENATE JOINT RESOLUTION 42

At the request of Mr. BUMPERS, the names of the Senator from Missouri [Mr. DANFORTH] and the Senator from Missouri [Mr. BOND] were added as cosponsors of Senate Joint Resolution 42, a joint resolution to designate the month of April 1993 as "Civil War History Month."

SENATE CONCURRENT RESOLUTION 9

At the request of Mr. EXON, the name of the Senator from Nebraska [Mr. KERREY] was added as a cosponsor of Senate Concurrent Resolution 9, a concurrent resolution urging the President to negotiate a comprehensive nuclear weapons test ban.

SENATE RESOLUTION 11

At the request of Mr. DECONCINI, the names of the Senator from Maryland [Ms. MIKULSKI] and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of Senate Resolution 11, a resolution relating to Bosnia-Herzegovina's right to self-defense.

SENATE RESOLUTION 35

At the request of Mr. LAUTENBERG, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of Senate Resolution 35, a resolution expressing the sense of the Senate concerning systematic rape in the conflict in the former Socialist Federal Republic of Yugoslavia.

AMENDMENTS SUBMITTED

NATIONAL INSTITUTES OF HEALTH REAUTHORIZATION ACT

SHELBY (AND OTHERS)
AMENDMENT NO. 35

Mr. SHELBY (for himself, Mr. NICKLES, and Mr. HELMS) proposed an amendment to the bill (S. 1) to amend the Public Health Service Act to revise and extend the programs for the National Institutes of Health, and for other purposes, as follows:

At the end of title XX, add the following new section:

SEC. 20. ACCESS TO INFORMATION BY FOREIGN CORPORATIONS.

(a) PROHIBITION.—

(1) IN GENERAL.—Notwithstanding any other provision of law, information derived through research and development activities conducted in whole or in part with funds received from the National Institutes of Health or the National Science Foundation, may not be made available to a foreign corporation within the meaning of section 7701(a)(5) of the Internal Revenue Code of 1986, or a United States based subsidiary corporation of such a foreign corporation, by an institution of higher education if such corporation or subsidiary has a financial relationship with the institution.

(2) FINANCIAL RELATIONSHIP.—A financial relationship with an institution as described in paragraph (1) shall exist if—

(A) the corporation or subsidiary involved has paid a fee to the institution;

(B) the institution has accepted any gifts or donations of the corporation or subsidiary involved; or

(C) the institution had acquired any stock or other financial holding in the corporation or subsidiary involved.

(3) DEFINITION.—As used in paragraph (1), the term "subsidiary corporation" means any corporation (incorporated in the United States) in an unbroken chain of corporations beginning with the foreign corporation involved if, at the time the information to which paragraph (1) is sought, each of the corporations other than the last corporation in the unbroken chain owns stock possessing 50 percent or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

(b) SHARING OF INFORMATION.—Notwithstanding any other provision of law, an institution of higher education may not permit the sharing of information derived from research and development activities conducted in whole or in part with funds received from the National Institutes of Health or the National Science Foundation with a foreign corporation (within the meaning of section 7701(a)(5) of the Internal Revenue Code of 1986) or a subsidiary of that corporation, prior to the time at which such information becomes publicly available.

(c) GUIDELINES.—Not later than 6 months after the date of enactment of this Act, the Secretary of Health and Human Services and the Director of the National Science Foundation shall promulgate guidelines for the implementation of this section.

(d) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary of Health and Human Services and the Director of the National Science Foundation shall prepare and submit to the appropriate committees of Congress a report concerning the implementation of this section, including an assessment of the status and progress of recipients of funds to which this section applies in complying with this section.

KENNEDY AMENDMENT NO. 36

Mr. KENNEDY proposed an amendment to amendment No. 35 proposed by Mr. SHELBY (and others) to the bill (S. 1) supra, as follows:

20 . ACCESS TO INFORMATION BY FOREIGN CORPORATIONS.

(a) PROHIBITION.—

(1) IN GENERAL.—Notwithstanding any other provision of law, information derived through research and development activities conducted in whole or in part with funds received from the National Institutes of Health or the National Science Foundation, may not be made available to a foreign corporation within the meaning of section 7701(a)(5)

of the Internal Revenue Code of 1986, or a United States based subsidiary corporation of such a foreign corporation, by an institution of higher education if such corporation or subsidiary has a financial relationship with the institution.

(2) FINANCIAL RELATIONSHIP.—A financial relationship with an institution as described in paragraph (1) shall exist if—

(A) the corporation or subsidiary involved has paid a fee to the institution;

(B) the institution has accepted any gifts or donations of the corporation or subsidiary involved; or

(C) the institution had acquired any stock or other financial holding in the corporation or subsidiary involved.

(3) DEFINITION.—As used in paragraph (1), the term "subsidiary corporation" means any corporation (incorporated in the United States) in an unbroken chain of corporations beginning with the foreign corporation involved if, at the time the information to which paragraph (1) is sought, each of the corporations other than the last corporation in the unbroken chain owns stock possessing 50 percent or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

(b) SHARING OF INFORMATION.—Notwithstanding any other provision of law, an institution of higher education may not permit the sharing of information derived from research and development activities conducted in whole or in part with funds received from the National Institutes of Health or the National Science Foundation with a foreign corporation (within the meaning of section 7701(a)(5) of the Internal Revenue Code of 1986) or a subsidiary of that corporation, prior to the time at which such information becomes publicly available.

(c) GUIDELINES.—Not later than 6 months after the date of enactment of this Act, the Secretary of Health and Human Services and the Director of the National Science Foundation shall promulgate guidelines for the implementation of this section.

(d) REPORT.—Not later than 13 months after the date of enactment of this Act, the Secretary of Health and Human Services and the Director of the National Science Foundation shall prepare and submit to the appropriate committees of Congress a report concerning the implementation of this section, including an assessment of the status and progress of recipients of funds to which this section applies in complying with this section.

NICKLES (AND OTHERS) AMENDMENT NO. 37

Mr. NICKLES (for himself, Mr. DOLE, Mrs. KASSEBAUM, Mr. HELMS, Mr. SHELBY, Mr. GRAMM, Mr. LOTT, Mr. COATS, Mr. MACK, Mr. CRAIG, Mr. BOND, Mr. COVERDELL, Mr. ROTH, Mr. MURKOWSKI, Mr. THURMOND, and Mr. SMITH) proposed an amendment to the bill (S. 1) supra, as follows:

At the appropriate place, add the following:

SECTION 1. ADMISSION TO THE UNITED STATES OF ALIENS INFECTED WITH THE AIDS VIRUS.

(a) Notwithstanding any other provision of law, regulations or directives concerning the exclusion of aliens on health related grounds, infection with HIV, the human immunodeficiency virus, shall constitute a communicable disease of public health significance for purposes of section

212(a)(1)(A)(i) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(1)(A)(i)).

(b) REPORT REQUIRED.—The President shall submit a report by September 1, 1993 containing—

(1) an assessment of the anticipated costs of the admission to the United States of persons with HIV to public health care programs, including such costs as will be borne by States and municipalities, and private insurers and health care providers;

(2) an estimate of the number and origins of persons infected with HIV likely to seek entry into the United States before December 31, 2003;

(3) an assessment of the effectiveness of the Immigration and Nationality Act in preventing persons entering the United States likely to become a public charge, as well as the ability to enforce this Act with regard to persons infected with potentially costly health conditions including, but not limited to HIV;

(4) the cost implications of refugees entering or likely to enter the United States, who carry the HIV virus;

(5) A comparison of the anticipated public and private health care costs associated with aliens infected with HIV with the costs attributable to the entry of aliens suffering from other health conditions;

(c) HIV TESTING.—Except as otherwise provided in subsection (d) the Attorney General, in consultation with the Secretary of HHS, shall provide for the testing of aliens for infection with HIV in accordance with the policy in effect on January 1, 1993;

(d) WAIVER AUTHORITY.—Subsection (c) may be waived by the Attorney General, in consultation with the Secretary of HHS for non-immigrants who, except for the provisions of this act, would be admissible to the United States, and who seek admission for 30 days or less for the purpose of:

- (1) attending educational or medical conferences;
- (2) receiving medical treatment;
- (3) visiting close family members;
- (4) conducting temporary business activities; or
- (5) visiting for pleasure (tourism);

and in addition such non-immigrants may be admitted without questions as to whether they are carriers of the HIV virus, at the discretion of the Attorney General.

(e) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to limit the authority of the Secretary of HHS to prescribe regulations, concerning communicable diseases of public health significance, other than infection with the human immunodeficiency virus in accordance with section 212(a)(1)(A)(i) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(1)(A)(i)).

KENNEDY AMENDMENT NO. 38

Mr. KENNEDY proposed an amendment to amendment No. 37 proposed by Mr. NICKLES (and others) to the bill (S. 1) supra, as follows:

In the amendment strike all after Section and insert the following:

. CONDITIONS ON ANY REMOVAL OF HIV STATUS EXCLUSION.

(a) RETENTION OF EXCLUSION.—The current list of communicable diseases of public health significance as in effect on February 16, 1993, shall remain in effect for a period of at least 60 days after the date of enactment of this Act for purposes of section 212(a)(1)(A)(i) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(1)(A)(i)).

(b) REPORT REQUIRED.—If the Secretary of Health and Human Services removes or alters the list described in subsection (a) after the expiration of the 60-day period described in that subsection, then the Secretary shall submit to Congress a report containing—

- (1) an assessment of—
 - (A) the anticipated effect of such action on costs to United States public health care programs and entities, as well as to those operated by States and municipalities; and
 - (B) the anticipated costs to private insurers and health care providers of such action;
- (2) any findings regarding current immigration law submitted by the Attorney General under subsection (c); and
- (3) a comparison of the anticipated public and private health care costs associated with aliens infected with HIV with the costs attributable to the entry of aliens suffering from other health conditions.

(c) STUDY AND REPORT.—(1) The Attorney General shall conduct a study of the following:

(A) The effectiveness of current provisions of the Immigration and Nationality Act in guarding against entry into the United States of persons likely to become a public charge and in deporting, during a 5-year period after such entry, those immigrants who do become public charges.

(B) The ability of the Immigration and Naturalization Service to apply and enforce such Act with regard to immigrants infected with potentially costly health conditions including, but not limited to, HIV.

(2) The Attorney General shall submit to the President, the Secretary of Health and Human Services, and the Congress a report setting forth the findings of the study conducted under paragraph (1) and including such recommendations as the Attorney General determines may be necessary for revision of current immigration law to ensure that immigrants with costly health conditions who are likely to become public charges will be excluded.

NOTICES OF HEARINGS

COMMITTEE ON RULES AND ADMINISTRATION

Mr. FORD. Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR-301, Russell Senate Office Building, on Thursday, March 18, 1993, at 9:00 a.m., to mark up a congressional election campaign finance bill. The committee will also mark up other pending legislative and administrative business that is ready for consideration by the time of the meeting.

For further information regarding this meeting, please contact Carole Blessington of the Rules Committee staff on x40278.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate Wednesday, February 17, 1993, at 10 a.m. to conduct a hearing on reverse redlining and problems in home equity lending.

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

COMMITTEE ON ARMED SERVICES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Wednesday, February 17, 1993, at 9:30 a.m., in open session, to receive testimony on economic reform in the former Soviet Union: The current situation and United States policy options.

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

ADDITIONAL STATEMENTS

GUN CONTROL

• Mr. SIMON. Mr. President, last December, I came across these articles in the Washington Post which highlight the serious problem of monitoring gun dealers and gun sales. The Bureau of Alcohol, Tobacco and Firearms simply does not have the resources necessary to enforce laws governing firearms dealers. There are over 276,000 licensed gun dealers in this country—according to the news program 20/20, there are more gun dealerships in our country than there are gas stations. While the number of gun dealers has increased by 59 percent since 1980, the number of Federal inspectors who inspect these gun dealerships has decreased by 13 percent. Meanwhile, guns have killed more than 60,000 people in the last 5 years. Something must be done to remedy this problem.

Mr. President, I ask that the following articles from the Washington Post be included in the RECORD: Two articles by Pierre Thomas, "Hit-Or-Miss Control of Firearms Sales" and "Penny-Ante Arms Dealer Ran Amok," and an Opinion Editorial from the Washington Post entitled "License to Kill."

The articles follow:

HIT-OR-MISS CONTROL OF FIREARMS SALES

(By Pierre Thomas)

Getting a federal license to sell rifles, shotguns and handguns can be as easy as sending in a two-page form and paying a \$30 fee. Look for the license in your mailbox 45 days or so later.

Chances are nearly nine out of 10 that no one will interview you beforehand. Once you're licensed, federal inspectors won't get around to auditing your records and business practices for about 20 years. Renewals of the three-year license are virtually automatic.

Even if you live in the District, where local law has banned handgun sales since 1976 and the homicide rate has soared, you can obtain a federal permit to sell firearms.

The District's ban on handgun sales is only as strong as dealers' willingness to limit their business to rifles and shotguns. There are 46 federally licensed gun dealers in the District, and in the last two years, federal inspectors have checked two. D.C. police leave responsibility for monitoring dealers to the federal government.

"It's a joke," said Melvin Abrams, a longtime Baltimore County gun dealer. "The

politicians are screaming about gun control, but [the federal government] is handing out licenses to every Tom, Dick and Harry. And then they never check the people. It makes you want to scream."

More than 60,000 people nationwide have been killed with guns in the last five years. The federal licensing system, meanwhile, if not a joke, is at least a well of irony, its critics and top officials agree.

At the heart of that irony is the U.S. Bureau of Alcohol, Tobacco and Firearms. It is the federal agency most responsible for enforcing federal gun-control laws and curbing illegal gun trafficking, but its mission as a licensing agency is to get permits into—not keep them out of—the hands of dealers. Congress and powerful lobbyists pressure the bureau constantly to make gun-selling in the United States as hassle-free as possible.

"Anybody can get a license to sell firearms," said Tony Haynes, head of ATF's licensing center. More than 270 licenses a day—91,000 new and renewed permits in all—were issued in 1991 by the licensing center, which is in Atlanta. Of 34,000 applications for new licenses that year, 37 were denied. The agency renewed 57,327 licenses, while denying 15 renewal requests.

Haynes said his mandate is to issue licenses and to do it as quickly and efficiently as possible. Federal regulations require ATF to process applications within 45 days.

There are more than 276,000 federally licensed gun dealers in the United States. ATF officials say that most are law-abiding, but that the agency has issued more permits than it can hope to monitor closely.

ATF bureau has 13 percent fewer field inspectors assigned primarily to gun dealers today than it had a decade ago. The number of federally licensed dealers, however, has grown rapidly. In 1980, there were 174,000; now there are 102,000 more—an increase of 59 percent.

Stephen Higgins, director of the agency, said that at present inspection rates and with current staff levels, it will be 20 years before ATF inspectors audit some licensees. "With 280,000 licensed dealers," Higgins said, "we're not going to get around to some of these people in their lifetime."

"No, I'm not comfortable with that, but the unfortunate fact is that we are not going to get more" money for inspections, Higgins said. "It's much easier to get Congress to approve task forces . . . of agents who are going to be working street gangs or violent criminals."

Such special operations have become more common in recent years, and arrests by ATF's 1,947 agents have grown. A surprising number of dealers have been accused of breaking the law and contributing to urban violence: At least 600 federally licensed dealers across the country have been arrested on criminal charges in the last five years, most for illegal weapons sales; More than a dozen federally licensed dealers in Detroit have been charged with providing more than 2,000 firearms to criminals in the city; A Richmond gun dealer recently pleaded guilty to falsifying federal firearms reports and then committed suicide after 100 guns he sold were confiscated in New York.

"There are just so many [new dealers] coming in," said Ed McKita, who supervises nine ATF inspectors responsible for monitoring 7,500 licensed Virginia dealers from a field office in Richmond. "There is just so much that you can do."

ATF'S HISTORY

Formed in 1972 as a branch of the Treasury Department, the bureau traces its history to

1863, when Congress established an office to collect taxes on alcohol.

In the 1920s, the Bureau of Prohibition was set up to track down bootleggers and gangsters. ATF agents today proudly declare themselves successors of that bureau's most famous agent, Eliot Ness, who snared mobster Al Capone and whose exploits were memorialized in a television series, "The Untouchables," and a movie of the same name.

ATF, nevertheless, has worked in the shadow of the more prestigious and better-funded Federal Bureau of Investigation, part of the Justice Department. ATF, with 4,203 employees, has a \$341 million annual operating budget, less than a quarter of the FBI's.

ATF's duties include apprehending gun-runners, investigating explosions and arsons, auditing cigarette plants and tracking down the relatively few remaining moonshiners. The agency says it collects \$10 billion in taxes from the industries it regulates.

The mandate for ATF's regulation of firearms is the Gun Control Act of 1968, the nation's primary gun-control law, passed after the shooting deaths of the Rev. Martin Luther King Jr. and Sen. Robert F. Kennedy.

The law provided for more comprehensive licensing of and record keeping by dealers so that weapons used in violent crimes could be traced to their original purchasers. The law also banned felons, people deemed mentally incompetent and some others from receiving, possessing or selling firearms.

ATF is charged with licensing dealers and with making sure that their sales are properly recorded and that they do not knowingly sell to prohibited buyers. It also runs the federal gun-tracing center in Landover, which helps law enforcement agencies track weapons used in violent crimes.

ATF's efforts to regulate guns have been hamstrung for years by the powerful gun lobby, led by the National Rifle Association. When, for instance, ATF tries to track a gun used in a crime, it often does so by flipping through slips of paper recording gun sales. Congress, responding to NRA assertions, has denied the agency money to computerize certain records of gun sales.

The gun lobby is opposed to any central database of gun owners, fearing it eventually could lead to confiscation of weapons from law-abiding citizens.

Proponents of stricter national gun control generally support strengthening ATF's oversight of dealers. Opponents often attack the competence of the agency and the attitudes of its agents, often described by critics as overzealous.

The agency has "made an awful lot of errors in their enforcement efforts," said James A. McClure, an Idaho Republican and frequent ATF critic who retired from the Senate in 1990. "Some pretty awful things were done—unlawful search and seizures, entrapment" of gun dealers. At times, McClure said, the agency "trampled on the Constitution."

Rep. William J. Hughes (D-N.J.), a supporter of stricter gun control, said complaints such as McClure's are "grossly over-exaggerated" and part of overall efforts to "decimate the agency."

"There has been a concerted effort in recent administrations and in Congress," Hughes said, "to beat them down."

Hughes pointed to legislation cosponsored by McClure and passed in 1986 that reduced certain record-keeping violations by dealers from felonies to misdemeanors and forbade ATF to inspect any gun dealer more than once a year.

"We wanted them to get back to the field [to make criminal cases] rather than

harassing dealers, McClure said. "We as Americans don't like the idea of Big Brother." Hughes countered that those changes produced a system with "no safeguards."

While required to issue permits quickly, ATF also is expected to ensure that undesirables do not get them. That process can be fraught with pitfalls.

Four ATF computer operators run names and Social Security numbers through a Treasury Department database to determine whether applicants are under federal investigation. They also check the FBI-run National Crime Information Center, a databank of crime records from federal, state and local agencies.

While some consider the FBI databank more than adequate, others contend there are critical flaws in it. The system usually cannot determine, for example, when the name and Social Security number on an applicant are false.

Several years ago, in an effort to underscore that weakness, a reporter submitted a made-up Social Security number as part of the application for a gun dealer's license for a pet dog, Haynes said. The computer found no criminal record under the dog's name, Fifi, or Social Security number, and a license was issued.

"If a criminal lies, I can't catch that up front," Haynes said. "Fifi the dog was clean."

David Nemecek, the head of the National Crime Information Center, said in a recent interview that though there are more than 16 million records in the system, not all local agencies contribute information. The database, moreover, is most complete for people born in 1956 and after. Many born earlier "may or may not be in the system," Nemecek said.

FEW SAFEGUARDS UP FRONT

ATF says it does not have the money to do fingerprint checks on applicants. Moreover, Haynes said, because of limited resources, there are very few pre-approval visits, in which an ATF inspector meets the dealer-to-be, gets answers to any nagging questions and explains rules and regulations.

Guns are "probably the most deadly consumer product, and it's essentially an unregulated industry," said Dennis Henigan, director of the D.C.-based Center to Prevent Handgun Violence.

Richard Gardiner, counsel for the NRA's Institute for Legislative Action, said the vast majority of gun dealers use their licenses to purchase guns for their personal use. Strengthening ATF oversight, he said, "would only make life difficult for more law-abiding people."

Abrams's Valley Gun Store in Parkville, a Baltimore suburb, is an example of how the federal system of gun regulation is supposed to work.

The inventory of Valley Gun, which stocks virtually every gun available, is guarded by clerks carrying guns in holsters and by a closed-circuit television system.

During his 43 years in business, Abrams said, he has sold more than 200,000 guns. ATF inspects his operation once a year, partly because he is a large dealer and sells machine guns and partly because weapons purchased at some time from his store often turn up in criminal investigations.

At Abrams's store, gun purchasers fill out two government forms—one from ATF, the other from the state of Maryland. Abrams, as the dealer, is required to keep the yellow ATF form for possible inspection by the agency—especially if the weapon is used in a crime.

ATF requires no background checks before the sales are made. Maryland law, however, imposes a seven-day waiting period for handguns and requires Abrams to send the white state form to the Maryland State Police for review and a background check.

But many dealers have trouble complying with the red tape that accompanies legal gun sales. More than half the gun dealers inspected by ATF last year were cited for violations such as incomplete records of gun buyers and reductions in gun inventories unaccounted for in sales records.

REACTING TO PROBLEMS

Pat McGlone, who has been an inspector for 22 years, said she worries that too often the agency is reacting to problems once they develop rather than working to prevent them through adequate policing of dealers.

A single bad dealer has the power to quickly put a large number of guns into the wrong hands. "Hopefully, we can catch them [bad dealers] before too much damage is done," McGlone said. "But in the meantime, how many people will have been injured or worse?"

ATF's lack of monitoring leads to poor coordination between federal and state law enforcement agencies.

In Maryland, for example ATF has licensed about 3,000 gun dealers. Only 300, however, have registered with the state police. No one knows whether the 2,700 others are selling guns and complying with state and local firearms, tax, business and land-use laws.

The Virginia State Police, which does background checks on gun buyers in that state, recently formed a firearms section to find out more about nearly 2,000 federally licensed dealers who have not registered with the state.

Some see a distinct irony in current efforts to impose a nationwide waiting period for handgun buyers: "We don't go anywhere near that far in relation to gun dealers," said Roland Vaughn, recently retired president of the International Association of Chiefs of Police, which favors the national waiting period. "That's a significant flaw, and it ought to be corrected immediately."

PENNY-ANTE ARMS DEALER RAN AMOK

(By Pierre Thomas)

From his Baltimore home and the seat of his car—and with the federal government's seal of approval—Carroll Landis Brown ran a bustling gun dealership.

One of his customers, John Kennedy, was a convicted felon, prohibited by federal law from buying or owning a weapon. "Don't worry. Just sign and put 'no' down to all the questions," Kennedy recalled Brown's telling him as he gave him a form from the U.S. Bureau of Alcohol, Tobacco and Firearms that asks prospective gun owners about criminal convictions.

Kennedy wrote a false address on the form and asked Brown whether the information would be forwarded to law enforcement agencies. "He said, 'No, it stays with me,'" Kennedy told investigators later.

In addition to the ATF form, Brown was supposed to provide Kennedy's name and address to the Maryland State Police for a background check. Under state law, Brown was not supposed to give Kennedy the gun for seven days, to allow police to complete the check.

Brown ignored the regulations, Kennedy paid him \$385 in cash and left with a new 10mm semiautomatic pistol.

With his \$30 dealer's license from ATF, Brown sold more than 300 guns in 17 months.

Some of them later were used in crimes. Not once after Brown's brief interview as an applicant for a dealer's license was he contacted or inspected by ATF.

Had ATF inquired, it would have found that fewer than half of Brown's gun sales were properly recorded. Some weren't recorded at all. And when he bothered to write down names and addresses, they were often bogus, law enforcement authorities say.

Brown said he never knowingly violated state or local laws. In 1990 he was charged with multiple violations of the laws governing his license. He pleaded guilty to some of the charges and served 21 months in prison.

Brown's case is an example of what can go wrong in a system with a team of federal inspectors that has shrunk as the number of gun dealers has grown by more than half, to more than 276,000.

It also shows how ATF, the federal agency that licenses dealers and enforces the principal federal gun control law, the Gun Control Act of 1968, largely reacts to illegal gun sales rather than preventing them.

Some critics of ATF say it has to become more aggressive about regulating dealers and gun sales, especially in light of the more than 60,000 gun-related homicides nationwide in the five years. Opponents of stronger ATF oversight contend that it would lead to unnecessary harassment of law-abiding dealers and gun owners, who, they say, make up the majority of both.

ATF's problem is, in part, a matter of resources. In Maryland, there are more than 3,000 federally licensed gun dealers, but only 11 ATF inspectors to oversee them. Last year, they conducted 209 inspections of gun dealers in the state.

Rogue federally licensed dealers have become a growing concern to local and national law enforcement authorities, including ATF. At least 600 federally licensed dealers have been arrested on criminal charges in the last five years, most for illegal distribution of firearms.

Brown, a former postal worker, began selling guns as a side business. "He paid \$30, had virtually no overhead and was in business," said Edward W. Wetterman, an AFT agent who helped bring about Brown's arrest. "He had an opportunity to make money with very few questions asked, and he took advantage of the situation."

Brown sees it differently. He said he did neglect to fill out required paperwork, but believed he was operating no differently from other gun dealers. "The rules and regulations that they put on firearms and people that have licenses [are] not going to work." Brown said in an interview, "because people are going to find a way to get [firearms] one way or another."

THE APPLICATION PROCESS

Brown's contact with ATF began on March 12, 1989, when his wife mailed the agency a \$30 American Express money order and an application in both their names for a license to purchase and sell firearms.

The application was run through an automated criminal background check. Brown had been convicted of a misdemeanor assault in 1983 and served a year's probation, according to court records. After reviewing his application, ATF made an appointment to interview him, partly because of his misdemeanor conviction. Only about one in 10 applicants receives such an on-site visit.

An ATF inspector spent roughly four hours on the Browns' application before recommending approval, agency records show. The misdemeanor conviction did not disqualify Brown. A felony or a history of mental illness would have.

The application stated that Brown and his wife planned to sell "rifles, shotguns, pistols, ammunition and any accessories" from "a small shop in [their] home." Baltimore officials say Brown never obtained permits required to operate a business from a residence.

Dealers are required to record the names and addresses of all gun buyers and keep them for ATF inspectors—especially in the event that one of the weapons they have sold turns up in a criminal investigation.

When he first set up the business, Brown said, he thought ATF might show up to audit his files. He kept records, but sporadically. Months passed with no contact from the agency Brown recalled, and he became less and less concerned about an agency inspection.

Brown wanted the business to grow, so he began taking out classified advertisements in the daily newspaper, according to court records. A portion of one ad read: "Llama 9mm [pistol] \$350. New never been fired." The gun business was lucrative: Brown's profit was about \$100 a gun, authorities said. Customers were plentiful, Brown said.

High-capacity firearms originally sold by Brown, some equipped with laser sights, began showing up at Baltimore crime scenes. In a three-month span beginning in September 1990, police confiscated 11 guns that, according to records, manufacturers and wholesalers had shipped to Brown. One was taken from a three-time-convicted felon.

That November, Baltimore police investigating a homicide found at a city residence a Cobray 9mm pistol that had been shipped to Brown. Five days later, police arrested four suspects on handgun charges and confiscated three more guns that had been shipped to Brown.

ATF agent Wetterman eventually determined that at least eight distributors had shipped Brown hundreds of weapons, with a wholesale value of more than \$58,000. Yet in many instances, state police had not been asked to perform background checks on buyers as required by state law.

Law enforcement officials also learned that three months after receiving his license, Brown changed his business address without informing ATF. Technically, that would have rendered the license invalid because Brown had not registered his new place of business.

In addition, city officials were not aware that Brown was operating a business out of his home, zoning officials said.

SETTING UP THE STING

In December 1990, an undercover ATF agent dialed the telephone number that appeared in Brown's classifieds. A man who identified himself as Carroll answered, according to court records.

The undercover agent told the man he wanted to buy a Glock 9mm. The agent told the man that he lived in Virginia. Federal law generally permits a dealer to sell only to residents of the state where the business is located.

The man agreed to meet the agent at a Baltimore shopping center.

A few days later, the agent, who was being electronically monitored, slipped into the front seat of a 1989 Dodge. Brown was at the wheel. Again, the agent said that he was from Virginia.

The sale went through. The agent gave Brown \$470. Brown gave him the gun, according to court records.

Brown asked the agent to write the address of a Baltimore acquaintance on the ATF sale form, the records show. Brown said he rou-

tinely conducted business in this fashion and bragged of having sold 15 guns on one occasion.

The next week, ATF agents arrested Brown on a variety of charges stemming from the \$470 sale and other sales under investigation. As he was processed by authorities, he told them he would give up his federal license voluntarily. ATF accepted the offer, and two months later the agency formally canceled FFL No. 8-52-001-01-2G-33026.

Brown's attorney, Gordon Tayback, of Baltimore, acknowledged that his client had sold more than 300 weapons. Most have not been recovered, including more than 100 Brown is believed to have sold to a single buyer, federal agents said.

Less than a month after Brown was arrested, Baltimore police investigated a complaint of shots being fired by a New Year's Eve reveler. They stopped a man and confiscated a gun.

The man identified himself as John Kennedy. He said he had purchased that gun and others from Carroll Landis Brown. He never used his own name, he said. He signed all the gun sales records as "John Johnson." Investigators determined that one of those guns made its way from Kennedy to a man who later used the weapon in a Baltimore homicide.

During a recent interview at a Baltimore halfway house, Brown told a reporter that he was pained by the violence carried out with the weapons he sold. "It bothered me," he said, his voice trailing off, his eyes lowered. "I didn't really think that someone would actually murder somebody."

LICENSE TO KILL

In an eye-opening series this week titled "Under the Gun," staff writer Pierre Thomas reported that getting a federal license to sell firearms is a snap. Fill out a short form, pay \$30, and in about 45 days you've got a license. No fuss and probably no bother—most records aren't audited for decades. No wonder business is jumping—with more than 270 licenses a day issued in 1991. Of 34,000 applications for new licenses last year, only 37 were denied. There were 57,327 licenses renewed and only 15 renewal applications denied. The total number of license-holders, most of them considered law-abiding, is ridiculously high—276,000, up 59 percent since 1980, while the number of federal inspectors assigned primarily to gun dealers is down 13 percent. And oh, yes: Guns have killed 60,000 people in this country in five years.

So what's the matter with the U.S. Bureau of Alcohol, Tobacco and Firearms, the agency that dishes out all these licenses and then can't begin to monitor them? This agency is only as effective as the law allows it to be, and in this case the law is just the way—weak—the NRA likes. The gun lobby prefers an agency with minimum computerized capacity to check records or use a central database. In 1986, when members of Congress were even more cowed by the gun lobby than they are today, the NRA and its semiautomatic water-carrier in the Senate at the time—Republican James A. McClure of Idaho, now retired—succeeded in weakening what law was on the books. His legislation reduced certain record-keeping violations by dealers from felonies to misdemeanors and forbade ATF to inspect any gun dealer more than once a year.

ATF needs its teeth back. The agency is good at what it is allowed to do, including the tracking of guns, even though it may have to sift through slips of paper because it hasn't been able to computerize its records

quickly enough. Good legislation has been proposed before and should be enacted now. It's obvious that tougher federal controls are needed, along with a force that can inspect all license-holders regularly. One other proposal that could take effect quickly would require any applicant for a federal license to supply certification of compliance with all state and local ordinances. This, with an accelerated automation and inspection plan, could begin to make a difference right away. So could some tighter rules on applications for renewals.

The gun manufacturers for whom the NRA fronts will insist that the killers will always get firearms without paying attention to tougher controls. Why not test their argument? As it stands, the federal system is a disgrace.●

RULES OF THE COMMITTEE ON SMALL BUSINESS

● Mr. BUMPERS. Mr. President, in accordance with the Standing Rules of the Senate, I ask that the Small Business Committee's rules be printed in the RECORD.

The rules follow:

COMMITTEE RULES AS ADOPTED IN EXECUTIVE SESSION, MARCH 28, 1985

1. GENERAL

All applicable provisions of the Standing Rules of the Senate and of the Legislative Reorganization Act of 1946, as amended, shall govern the Committee and its Subcommittees. The Rules of the Committee shall be the Rules of any Subcommittee of the Committee.

2. MEETINGS AND QUORUMS

(a) The regular meeting day of the Committee shall be the first Wednesday of each month unless otherwise directed by the Chairman. All other meetings may be called by the Chairman as he deems necessary, on 3 days notice where practicable. If at least three Members of the Committee desire the Chairman to call a special meeting, they may file in the office of the Committee a written request therefor, addressed to the Chairman. Immediately thereafter, the Clerk of the Committee shall notify the Chairman of such request. If, within 3 calendar days after the filing of such request, the Chairman fails to call the requested special meeting, which is to be held within 7 calendar days after the filing of such request, a majority of the Committee Members may file in the Office of the Committee their written notice that a special Committee meeting will be held, specifying the date, hour and place thereof, and the Committee shall meet at that time and place. Immediately upon the filing of such notice, the Clerk of the Committee shall notify all Committee Members that such special meeting will be held and inform them of its date, hour and place. If the Chairman is not present at any regular, additional or special meeting, the Ranking Majority Member present shall preside.

(b)(1) Eleven Members of the Committee shall constitute a quorum for reporting any legislative measure or nomination.

(2) Seven Members of the Committee shall constitute a quorum for the transaction of routine business, provided that one Minority Member is present. The term "routine business" includes, but is not limited to, the consideration of legislation pending before the Committee and any amendments thereto, and voting on such amendments. 132 Cong. Rec. S3231 (daily ed. March 21, 1986).

(3) In hearings, whether in public or closed session, a quorum for the taking of testimony, including sworn testimony, shall consist of one Member of the Committee or Subcommittee.

(c) Proxies will be permitted in voting upon the business of the Committee by Members who are unable to be present. To be valid, proxies must be signed and assign the right to vote to one of the Members who will be present. Proxies shall in no case be counted for establishing a quorum.

3. HEARINGS

(a)(1) The Chairman of the Committee may initiate a hearing of the Committee on his authority or upon his arrival of a request by any Member of the Committee. The Chairman of any Subcommittee may, after approval of the Chairman, initiate a hearing of the Subcommittee on his authority or at the request of any member of the Subcommittee. Written notice of all hearings shall be given, as far in advance as practicable, to Members of the Committee.

(2) Hearings of the Committee or any Subcommittee shall not be scheduled outside the District of Columbia unless specifically authorized by the Chairman and the Ranking Minority Member or by consent of a majority of the Committee. Such consent may be given informally, without a meeting.

(b)(1) Any Member of the Committee shall be empowered to administer the oath to any witness testifying as to fact if a quorum be present as specified in Rule 2(b).

(2) Any Member of the Committee may attend any meeting or hearing held by any Subcommittee and question witnesses testifying before any Subcommittee.

(3) Interrogation of witnesses at hearings shall be conducted on behalf of the Committee by Members of the Committee or such Committee staff as is authorized by the Chairman or Ranking Minority Member.

(4) Witnesses appearing before the Committee shall file with the Clerk of the Committee a written statement of the prepared testimony at least 48 hours in advance of the hearing at which the witness is to appear unless this requirement is waived by the Chairman and the Ranking Minority Member.

(c) Witnesses may be subpoenaed by the Chairman with the agreement of the Ranking Minority Member or by consent of a majority of the Members of the Committee. Such consent may be given informally, without a meeting. Subpoenas shall be issued by the Chairman or by any Member of the Committee designated by him. Subcommittees shall not have the right to authorize or issue subpoenas. A subpoena for the attendance of a witness shall state briefly the purpose of the hearing and the matter or matters to which the witness is expected to testify. A subpoena for the production of memoranda, documents and records shall identify the papers required to be produced with as much particularity as is practicable.

(d) Any witness summoned to a public or closed hearing may be accompanied by counsel of his own choosing, who shall be permitted while the witness is testifying to advise him of his legal rights.

(e) No confidential testimony taken, or confidential material presented to the Committee, or any report of the proceedings of a closed hearing, or confidential testimony or material submitted voluntarily or pursuant to a subpoena, shall be made public, either in whole or in part or by way of summary, unless authorized by a majority of the Members of the Committee.

4. AMENDMENT OF RULES

The foregoing rules may be added to, modified or amended: provided, however, that not

less than a majority of the entire Membership so determine at a regular meeting with due notice, or at a meeting specifically called for that purpose.●

REMARKS OF LEON WIESELTIER

● Mr. MOYNIHAN. Mr. President, on this day of the State of the Union Address, I would call to the attention of the Senate a remarkable, if brief, address given by Leon Wieseltier on the occasion of a reception for Vice President and Mrs. Gore at the time of the inauguration. Mr. Wieseltier is, of course, literary editor of the *New Republic*, which gave the reception. His remarks are both felicitous, welcoming, and admonitory. He is himself a man of singular literary gifts, and profound historical understanding. I believe Senators will agree and ask unanimous consent that Mr. Wieseltier's remarks be included in the RECORD.

The remarks follow:

REMARKS BY LEON WIESELTIER

Ladies and gentlemen, Tipper and Al, I'm delighted to welcome you here this evening on behalf of Marty, Ann, Andrew, myself, and all my colleagues at *The New Republic*, which is, as you know, the best liberal and conservative magazine in America.

Al, there stand before you here the children, distant and not so distant, of slaves, immigrants, and refugees; an African American, an Asian American, a Jewish American. All week long you have been reminded of these differences, and asked that you remember them and respect them.

We, too, would like you to remember and to respect them; but we ask, as you come to govern us, that you also forget them. In this country, being different is easy. Being the same, in the way that citizens must be the same, is the real trick.

And so we have asked Brother Marsalis and Brother Ma to play in your honor this evening, with this thought in mind: just as the aim of art is beauty, the aim of government is justice; and justice must resemble beauty in its complete indifference to everything except itself, or so we all should wish.●

PRESIDENTIAL POLITICS IN SOUTH DAKOTA

● Mr. DASCHLE. Mr. President, I would like to bring to my colleagues' attention an article, "Presidential Politics in South Dakota, 1936." It was written by Philip A. Grant, Jr., a distinguished professor of history at Pace University in New York.

One of the major themes of the article is the tendency of South Dakota voters to split their tickets. In 1936, South Dakotans voted for President Roosevelt and elected a Republican Governor and Congressman. Last November, South Dakotans favored President Bush and reelected a Democratic Senator and Congressman.

I ask that Professor Grant's fascinating article be printed in the RECORD and commend it to my colleagues.

The article follows:

PRESIDENTIAL POLITICS IN SOUTH DAKOTA,
1936

(By Philip A. Grant, Jr.)

On 11 June 1936, the Republican party nominated Governor Alfred M. Landon of Kansas as its candidate for president of the United States. Fifteen days later, the Democrats renominated incumbent president Franklin D. Roosevelt. Although both major political parties had officially chosen presidential candidates by late June, the 1936 campaign did not actually begin until Governor Landon gave his first major speech on 22 August. Between that date and 3 November, the American electorate had the opportunity to evaluate the personalities and policies of the Republican and Democratic nominees. During those ten weeks, both Governor Landon and President Roosevelt traveled throughout the nation, held press conferences in numerous cities and towns, delivered formal addresses over the various radio networks, and issued a multitude of position papers detailing their campaign promises. While the people of the United States were certainly interested in the outcome of the 1936 presidential contest, they were equally preoccupied with the progress made toward mitigating the suffering the Great Depression had caused. Indeed, nearly seven years had elapsed since the infamous Wall Street financial crisis of 1929. As the campaign of 1936 progressed, political observers kept an eye on South Dakota, for the state had proven to be a barometer of midwestern, if not national, political sentiment, having cast its electoral votes for victorious candidates in seven of the last nine presidential elections.¹

Between 1900 and 1928, South Dakotans had been steadfastly Republican, sending GOP candidates to both the United States Senate and House of Representatives and voting for Republicans in thirteen of fifteen gubernatorial elections.² On 8 November 1932, the sustained Republican domination of South Dakota politics had ended abruptly and dramatically with Roosevelt winning all but one county in the state and outpolling President Herbert Hoover 183,515 to 99,212. Also triumphant in the 1932 South Dakota race were the Democratic nominee for governor, the two Democratic candidates for the House of Representatives, and ninety-eight Democrats seeking seats in the one hundred-forty-eight-member state legislature.³ By August and September 1936, however, some South Dakota Republicans were cautiously optimistic about their party's prospects for the November election. First, these Republicans suspected that an appreciable number of voters were growing impatient with the limited success of President Roosevelt's attempts to revitalize the American economy. Second, they believed that Governor Landon, who was in no way associated with the origins of the depression, was a decidedly more attractive and viable candidate than discredited former president Herbert Hoover had been four years earlier. Finally, they anticipated that the Union party presidential nominee, Congressman William Lemke of neighboring North Dakota, might draw thousands of disgruntled Democratic and independent votes in rural South Dakota.

South Dakota Republicans had some justification for their optimism regarding Landon's challenge to Roosevelt's reelection quest. One of the few Republican governors elected in the Democratic landslide of 1932, Landon had been comfortably reelected two years later in defiance of a pronounced nationwide Democratic trend. The popular

chief executive of a Great Plains state that was similar to South Dakota both geographically and economically, he had carried the bulk of the agricultural counties in his two Kansas gubernatorial campaigns. Moreover, Landon clearly identified with the moderate wing of the Republican party, making him more acceptable to those whom Hoover's rigid conservatism had alienated in 1932.⁴

South Dakota political observers estimated that Union party candidate Lemke might poll in excess of twenty percent of South Dakota's popular vote, recalling that third-party candidates had fared conspicuously well in several past presidential elections. In 1892, Populist James B. Weaver had received 26,552 votes (37.8 percent) in South Dakota, while in 1912 Theodore Roosevelt, the Progressive ("Bull Moose") nominee, had accumulated 58,811 ballots (50.6 percent). In 1920 Parley P. Christensen, the Farmer-Labor candidate, had won 34,406 votes (19.0 percent), and four years later, Progressive Robert M. La Follette secured 75,200 votes (36.9 percent). Observers speculated that if Lemke did reasonably well in his presidential bid in South Dakota, he might cause serious problems for the Roosevelt candidacy.⁵

With few exceptions, South Dakota Democrats expected that 1936 would be a productive year for their party. President Roosevelt's magnetic personality would be a meaningful factor in the presidential contest, as it had in 1932. Destined to become the most formidable vote-getter in the annals of American politics, Roosevelt had twice won the governorship of New York, the nation's largest and most diverse state. In the 1932 presidential election, he had won every state between the Ohio River and the Pacific Ocean. His aristocratic background notwithstanding, Roosevelt repeatedly stressed his commitment to improving the lot of the small and frequently impoverished farmer. During his first administration, he had persuaded Congress to enact the most sweeping domestic-reform program in American history. An orator of renowned eloquence, he had delivered a number of his legendary "fireside chats" before the 1936 campaign began.⁶

In addition to Roosevelt's popularity, Democrats had further reason to be optimistic when they reviewed the off-year elections of 1934, which had afforded voters an opportunity to express their approval for or disenchantment with Roosevelt's New Deal. In all previous off-year elections, the party controlling the White House had lost congressional seats and governorships. In 1934, however, the Democrats added to their already sizeable House and Senate majorities and captured several key governorships. Particularly noteworthy were Democratic successes in the Midwest, where Democrats won Senate seats in Ohio, Indiana, Missouri, and Nebraska and governorships in Ohio, Iowa, Nebraska, North Dakota, and South Dakota. In South Dakota, both incumbent Democratic congressmen, Fred H. Hildebrandt of Watertown and Theodore B. Werner of Rapid City, defeated their Republican adversaries. Voters gave Democratic Governor Tom Berry a second term by a record 62,593 majority.⁷

Of paramount importance to the fate of the Democratic ticket in South Dakota, however, was the impact of the various New Deal agricultural programs, which had resulted in a steady increase in annual farm income across the Midwest and the entire nation. Such landmark measures as the Agricultural Adjustment Act of 1933, the Farm Mortgage Moratorium Act of 1935, the Soil Conserva-

tion and Domestic Allotment Act, and the Rural Electrification Act had contributed to a reversal of the misfortunes that had plagued American agriculture since the early 1920s. Between 1932 and 1936, farm income nationwide had increased by more than sixty-eight percent, from \$6,405,000,000 to \$10,756,000,000. Roosevelt's emphasis on farm relief generated considerable enthusiasm in South Dakota and its neighboring states throughout the farm belt, where support for the president crossed party lines. Endorsing Roosevelt in 1936 were Senators George W. Norris of Nebraska, Henrik Shipstead of Minnesota, and Robert M. La Follette, Jr., of Wisconsin, three distinguished public servants who had long advocated farm relief but had never affiliated with the Democratic party.⁸

In late August, prior to launching his formal reelection campaign, Roosevelt traveled through several midwestern states on a drought-inspection trip. The president visited South Dakota from 28 to 30 August, participating in drought-crisis conferences in Pierre and Rapid City. Roosevelt's presence in South Dakota generated a substantial amount of favorable publicity around the country, and the chief executive frequently reminded South Dakotans of his administration's unwavering commitments to agriculture and conservation.⁹

At Aberdeen on 28 August, the president expressed concern over both the drought and the projected needs of the 1936-1937 winter, stating, "I have been thinking more about the future, for I want to see South Dakota continue to grow and prosper." Acknowledging that the economy of South Dakota was largely dependent upon agriculture, Roosevelt stressed that those who lived in the cities needed to realize that "there would not be any cities if there were not any farms." Urging South Dakotans "to cooperate with Nature," the president concluded: "I have come out here to learn more about the conditions at first hand. I shall take back to Washington with me the picture of a whole lot of people with courage, with their chins up, who are telling us that they are going to see things through. And I am going to help."¹⁰

Later the same day, Roosevelt delivered an extemporaneous speech at Huron. Voicing optimism about the future, the president asserted that the federal government was "trying to restore this country out through here to a position where we can go ahead in South Dakota to better times, not only in the cities, but on the farms." Confident that the cooperation of South Dakotans would make "the days to come more happy and prosperous than in the past," Roosevelt climaxed his remarks with his own appraisal of the farm situation: "I notice a good deal of change up here from the days when wheat was selling at twenty-five cents and corn at ten cents, even if we have not got so much wheat and corn. And next year we hope that we shall have them and that the prices for them will be higher than they were in the old days."¹¹ The president also spoke at Mount Rushmore after unveiling the face of Thomas Jefferson on 30 August. In an informal speech, he hailed the memorial to democratic government as an inspiration "not only in our own beloved country, but, we hope, throughout the world."¹²

Although Republican presidential candidate Alfred Landon did not appear in South Dakota during the 1936 campaign, his running mate, Chicago Daily News publisher Frank Knox, visited the state in early September. In addresses delivered at Mitchell,

¹Footnotes at end of article.

Aberdeen, and Rapid City, Knox criticized the Roosevelt Administration for squandering government money and charged that New Deal farm policies had resulted in a loss of foreign markets. Knox assured South Dakotans that the Republican party would not cut relief benefits but would instead eliminate the waste in government programs.¹³

William Lemke, the Union party nominee, confined his 1936 campaign in South Dakota to a single speech in Sioux Falls on 7 October, in which he predicted that he would carry the state in the general election if the race between Roosevelt and Lemke was close. Denouncing the records of both major parties, Lemke declared: "We are through with the reactionary Democrats and Republicans. They are not only breeds of the same cat, but are the same cat." Presenting himself as the true friend of the farmer, Lemke recalled the bills that he and his North Dakota colleague, Sen. Lynn J. Frazier, had authored between 1933 and 1936 calling for massive federal aid for agriculture.¹⁴

Perhaps the most noteworthy development of the entire 1936 South Dakota presidential campaign was Sen. Peter Norbeck's decision to endorse Roosevelt. A lifelong Republican and highly respected leader of the bipartisan congressional farm bloc, Norbeck, of Redfield, South Dakota, had been elected governor twice and United States senator three times. Despite his Republican affiliation, Norbeck had compiled a virtually unblemished record of support for New Deal legislation. In his 13 October announcement that he favored Roosevelt's reelection, Norbeck credited the president with having fostered business recovery and improved the overall welfare of agriculture.¹⁵

Republicans met Norbeck's endorsement with dismay, but they took encouragement from the results of two public-opinion polls published in the *Farm Journal* and the *Literary Digest*. The *Farm Journal's* surveys, conducted monthly between August and November, revealed that Landon led Roosevelt in South Dakota by 13.5 to 18.8 percent. The *Literary Digest* findings indicated that Landon would handily carry the state by a margin of 25.6 to 28.9 percent. Both polls predicted that Lemke would not be a factor in the South Dakota election. According to the *Farm Journal*, Lemke would attract a maximum of 74 percent of the ballots, while the *Literary Digest* calculated the North Dakotan's proportion at 5.7 percent or less.¹⁶

The Gallup and Crossley polls indicated a somewhat different political climate in the state. In several surveys conducted between 24 November 1935 and 19 January 1936, the Gallup organization concluded that most South Dakotans favored the president's reelection. In late August, however, the poll placed South Dakota and ten other states in the "borderline Republican" category. In late October, South Dakota was listed in the ranks of fourteen "doubtful" states. The Crossley Poll published the results of three surveys in the autumn of 1936. On 27 September, the poll estimated that Roosevelt and Landon would both receive fifty percent of the popular vote, while on 1 November it projected that the president held a fifty-four-to-fifty-six-percent advantage over his Republican challenger.¹⁷

On 3 November 1936, nearly three hundred thousand South Dakotans went to the polls to choose between Roosevelt and Landon. Early returns showed the president leading his Republican challenger in approximately three-quarters of the state's counties. By midnight it was certain that Roosevelt would carry South Dakota by at least thirty

thousand votes. After all the ballots were counted, Roosevelt had garnered 160,137 votes (54.0 percent); Landon, 125,977 (42.5 percent); and Lemke, 10,338 (3.5 percent).¹⁸

While the president's plurality of 34,160 votes was far less than his 1932 margin of 84,303, he prevailed over Landon in fifty-four of South Dakota's sixty-nine counties. In addition to winning most of the state's rural areas, Roosevelt also ran well in eight primarily urban counties, although in the largest, Minnehaha County, his margin of victory was only 756 votes:

County	Roosevelt	Landon
Minnehaha (Sioux Falls)	13,174	12,418
Brown (Aberdeen)	9,177	4,505
Beadle (Huron)	5,843	2,965
Pennington (Rapid City)	5,557	4,442
Davison (Mitchell)	4,983	2,510
Yankton (Yankton)	4,349	2,702
Codington (Watertown)	4,256	3,005
Clay (Vermillion)	3,070	19,162

The Republican challenger had captured only fifteen counties, twelve of which were located east of the Missouri River. Landon proved particularly strong in seven counties close to the Minnesota border:

County	Landon	Roosevelt
Brookings	3,899	3,161
Turner	3,214	2,923
Lake	3,182	2,520
Lincoln	2,918	2,541
Kingsbury	2,813	2,037
Hamlin	1,857	1,522
Deuel	1,595	20,140

Interestingly, all seven counties had favored Roosevelt in 1932.

As some pollsters had predicted, Lemke's 10,338 votes had absolutely no impact on the outcome of South Dakota's presidential contest. His candidacy harmed Roosevelt only in Butte County, which Landon carried by six votes. As a long-time advocate of farm relief and an outspoken congressman from an adjacent state, Lemke was well known in South Dakota. Although he did attract a somewhat higher proportion of the vote in the state than in other parts of the nation, his performance was obviously disappointing. The fact that the president swept most of the state's rural counties indicated that South Dakotans were generally satisfied with the New Deal farm programs and saw no overriding reason to cast a protest vote for Lemke.²¹

In November 1936, across the country, Roosevelt scored the most overwhelming victory in the annals of American presidential elections, defeating Landon by 531 to 8 ballots in the electoral college and 11,068,093 in the popular vote. In nearly all sections of the United States, Roosevelt substantially improved his showing over that of 1932—except in South Dakota and a few other states, where the president's percentage declined. While his support nationwide increased from 57.4 to 60.8 percent, his share of the vote in South Dakota dropped from 63.6 to 54.0 percent.²²

Roosevelt's overwhelming victory in other areas of the country reflected the fact that by 1936, the problems confronting urban America had begun to preoccupy the president. Such significant New Deal laws as the National Housing Act of 1934, the Social Security Act, and the National Labor Relations (Wagner) Act had enormous importance to tens of millions of citizens clustered in the nation's urban centers. While the president still commanded the loyalty of most farmers in South Dakota and its neighboring agricultural states, his popularity in the industrial states of the Northeast and Midwest had

grown significantly. Between the 1932 and 1936 elections, the proportion of the vote Roosevelt received in the industrial states of New York, New Jersey, Pennsylvania, Ohio, Michigan, and Illinois rose an average of 6.8 percent, an increase of 2,348,113 votes.²³

In 1932, the Roosevelt landslide had resulted in Democrats winning nearly all key South Dakota offices. In 1936, the coattail effects of the president's victory were more limited. Although the Republican party had been unable to deny Roosevelt South Dakota's four electoral votes, it had regained control of both the governorship and the legislature and ousted an incumbent Democrat in the second congressional district. In the gubernatorial race, Republican Leslie Jensen of Hot Springs emerged victorious by a 9,404-vote margin over Democratic incumbent Tom Berry. Republicans registered net increases of ten seats in the state senate and twenty-five seats in the house of representatives. In the second congressional district race, Republican Francis H. Case of Custer prevailed by a vote of 34,812 to 32,549 over Democrat Theodore B. Werner, thus beginning a career on Capitol Hill that would span more than a quarter century. Republicans also made respectable showings in contests for the United States Senate and the first congressional district. Republican Senate candidate Chan Gurney of Yankton secured 49.2 percent of the vote, coming within 6,048 votes of unseating Democratic incumbent William J. Bulow, and Republican Karl E. Mundt of Madison received 49.4 percent of the vote for the House seat, losing the race to Fred H. Hildebrandt by only 2,570 votes.²⁴

In South Dakota, a correlation certainly existed between the president's second victory in 1936 and the progress his administration had made in combating the depression. To assert that Roosevelt had ended the depression by November 1936 would be erroneous, but evidence abounded that both the state and the nation as a whole had experienced gradual economic recovery during Roosevelt's tenure. Of paramount importance were the figures both for annual statewide farm income and prices of individual crops. In 1932, South Dakota's farm income from crops, livestock, and government payments had been \$56,654,000, while in 1936 the figure had been \$103,972,000. This increase of \$47,318,000 represented a rise of nearly 54.5 percent and reflected the prices South Dakota farmers received for their crops. The comparative statistics for four major crops were as follows:

Crop	1932	1936
Corn	\$0.25 per bushel	\$1.08 per bushel.
Wheat	\$0.34 per bushel	\$1.15 per bushel.
Oats	\$0.10 per bushel	\$0.40 per bushel.
Barley	\$0.16 per bushel	\$0.67 per bushel. ²⁵

The outcome of the presidential election of 1936 in South Dakota constituted both a personal tribute to Franklin D. Roosevelt and a basic sympathy on the part of most South Dakotans with the objectives of the New Deal. While South Dakota had been consistently Republican since its admission to the Union in 1889, Roosevelt's dynamic personality and avowed determination to change the nation's economic structure, along with some recognizable success, had profoundly influenced the people of the state.

In no sense did the South Dakota election of 1936 suggest a mandate for the Democratic party. Indeed, the president's victory was considerably more modest than in 1932, and the electorate of South Dakota, while declining to approve Landon's candidacy, had returned control of the state government to

the Republicans. Moreover, the extremely close House and Senate contests confirmed that South Dakotans were almost evenly divided over which party should represent them in Congress. In helping to elect Roosevelt to a second term, South Dakotans did not repeat their 1932 repudiation of state Republican party leadership. In voting Democratic at the presidential level in 1936, the citizens of South Dakota continued to affirm their support of Roosevelt's New Deal and act as a barometer concerning midwestern political trends.*

FOOTNOTES

*Richard C. Bain and Judith H. Paris, *Convention Decisions and Voting Records*, 2d ed. (Washington, D.C.: Brookings Institution, 1973), pp. 245-50; New York Times, 12 June 1936, pp. 1, 12, 27 June 1936, pp. 1, 8, 23 Aug. 1936, pp. 1, 35. Comprehensive accounts of the 1936 presidential campaign can be found in the following works: James A. Farley, *Behind the Balloons: The Personal History of a Politician* (New York: Harcourt, Brace & Co., 1938), pp. 289-327; William E. Leuchtenberg, *Franklin D. Roosevelt and the New Deal, 1932-1940* (New York: Harper & Row, 1963), pp. 175-96; Donald R. McCoy, *Landon of Kansas* (Lincoln: University of Nebraska Press, 1966), pp. 262-339; and Arthur M. Schlesinger, Jr., *The Politics of Upheaval* (Boston, Mass.: Houghton, Mifflin Co., 1960), pp. 626-43.

*Svend Petersen, *A Statistical History of the American Presidential Elections* (New York: Frederick Ungar Publishing Co., 1963), pp. 67, 70, 74, 78, 81, 83, 86, 89, 91. Between 1900 and 1928, the Republicans won eight of nine contests for the Senate and prevailed in thirty-six of the thirty-nine campaigns for seats in the House. The only South Dakota Democrats serving on Capitol Hill during the period were Sen. Edwin S. Johnson of Platte and Rep. Harry L. Gandy of Rapid City. The sole Democratic governor was William J. Bulow of Beresford, elected in 1926 and reelected in 1928. *Guide to U.S. Elections* (Washington, D.C.: Congressional Quarterly, Inc., 1975), pp. 429-30, 477, 504-5, 690, 695, 700, 705, 710, 715, 722, 729, 734, 739, 745, 749, 754, 759, 764; Lawrence F. Kennedy, comp., *Biographical Directory of the American Congress, 1884-1971* (Washington, D.C.: Government Printing Office, 1971), pp. 983, 1191; Robert Sobel and John Raimo, comps., *Biographical Directory of the Governors of the United States, 1789-1978*, 4 vols. (Westport, Conn.: Meckler Books, 1978), 4:1449-54.

*South Dakota, *Legislative Manual* (1933), pp. 297-98, 301-9, 520-34, 536-70; Philip A. Grant, Jr., "Establishing a Two-Party System: The 1932 Presidential Election in South Dakota," *Presidential Studies Quarterly* 10 (Winter 1980): 76-79. For an analysis of the 1932 national election and party platforms, see Frank Freidel, "Election of 1932," in *History of American Presidential Elections, 1789-1968*, ed. Arthur M. Schlesinger, Jr., 4 vols. (New York: Chelsea House Publishers, 1971), 3:2707-62.

*In 1932, Democrats had won governorships in Ohio, Michigan, Indiana, Illinois, Missouri, Iowa, Wisconsin, Nebraska, and South Dakota, while Minnesota voters had elected the Farmer-Labor candidate. *Guide to U.S. Elections*, pp. 406-7, 415-18, 425, 430, 436. Having won by a mere 5,637-vote margin in 1932, Landon defeated his Democratic opponent by a 62,153 majority in 1934. After the 1934 elections, Republicans held only eight of the nation's forty-eight governorships and one hundred twenty-eight of the five hundred thirty-one seats in Congress. *Guide to U.S. Elections*, pp. 397-427, 485-509, 776-80.

**Ibid.*, pp. 279, 284, 286-87. The following volumes offer scholarly analyses of the Lenke campaign: David H. Bennett, *Demagogues in the Depression: American Radicals and the Union Party, 1932-1936* (New Brunswick, N.J.: Rutgers University Press, 1969), pp. 189-276; Edward C. Blackorby, *Prairie Rebel: The Public Life of William Lemke* (Lincoln: University of Nebraska Press, 1963), pp. 217-31; Donald R. McCoy, *Angry Voices: Left-of-Center Politics in the New Deal Era* (Lawrence: University of Kansas Press, 1958), pp. 142-57.

**Guide to U.S. Elections*, p. 289.

**Ibid.*, pp. 491, 496-97, 501; Kennedy, *Biographical Directory of the American Congress*, pp. 1116-17, 1901; Sobel and Raimo, *Biographical Directory of Governors*, 2:446-47, 3:906-7, 1182, 1230-31, 4:1454-55; New York Times, 7 Nov. 1934, pp. 1-2, 8 Nov. 1934, pp. 1-3.

*John A. Garraty, ed., *Dictionary of American Biography, Supplement Six (1956-1960)* (New York: Charles Scribner's Sons, 1980), pp. 577-79; Richard

Lowitt, George W. Norris: *The Triumph of a Progressive, 1933-1944* (Urbana: University of Illinois Press, 1978), pp. 151-62; Patrick J. Maney, "Young Bob" La Follette: *A Biography of Robert M. La Follette, Jr., 1895-1953* (Columbia: University of Missouri Press, 1978), pp. 189-91. Roosevelt's farm-relief programs are discussed in Frank Freidel, *Franklin D. Roosevelt: Launching the New Deal* (Boston, Mass.: Little, Brown & Co., 1973), pp. 83-101, 308-19; Van L. Perkins, *Crisis in Agriculture: The Agricultural Adjustment Administration and the New Deal, 1933* (Berkeley: University of California Press, 1969), pp. 1-78; Theodore Saloutos and John D. Hicks, *Agricultural Discontent in the Middle West, 1900-1939* (Madison: University of Wisconsin Press, 1951), pp. 452-502; and Edward L. Schapsmeier and Frederick M. Schapsmeier, *Henry A. Wallace of Iowa: The Agrarian Years, 1910-1940* (Ames: Iowa State University Press, 1968), pp. 166-209.

**Sioux Falls Daily Argus-Leader*, 30 Aug. 1936; *Washington Evening Star*, 29, 31 Aug. 1936; *New York Times*, 31 Aug. 1936, pp. 1, 3.

**Public Papers and Addresses of Franklin D. Roosevelt, 1936* (New York: Macmillan Co., 1938), pp. 307-8.

**Ibid.*, pp. 308-9.

**Ibid.*, pp. 309-10.

*Edward T. James, ed., *Dictionary of American Biography, Supplement Three (1941-1945)* (New York: Charles Scribner's Sons, 1973), pp. 424-26; *New York Herald Tribune*, 11 Sept. 1936; *Sioux Falls Daily Argus-Leader*, 10, 11 Sept. 1936; *Rapid City Journal*, 10 Sept. 1936.

**Sioux Falls Daily Argus-Leader*, 8 Oct. 1936.

*Ronald L. Feinman, *Twilight of Progressivism: The Western Republican Senators and the New Deal* (Baltimore, Md.: Johns Hopkins University Press, 1981), p. 106; Gilbert C. Fite, Peter Norbeck: *Prairie Statesman*, University of Missouri Studies, vol. 22, no. 2 (Columbia, 1948), pp. 202-4; *Sioux Falls Daily Argus-Leader*, 14 Oct. 1936.

**Farm Journal* 60, no. 8 (Aug. 1936): 18, no. 9 (Sept. 1936): 19, no. 10 (Oct. 1936): 17, and no. 11 (Nov. 1936): 17; *Literary Digest* 122, no. 14 (3 Oct. 1936): 7, no. 15 (10 Oct. 1936): 7, no. 16 (17 Oct. 1936): 7, no. 17 (24 Oct. 1936): 9, no. 18 (31 Oct. 1936): 5.

*George H. Gallup, *The Gallup Poll: Public Opinion, 1935-1971*, 3 vols. (New York: Random House, 1972), 1:3-4, 6, 10, 32-33, 38; *New York American*, 27 Sept., 25 Oct., 1 Nov. 1936.

*Richard M. Scammon, comp. and ed., *America at the Polls: A Handbook of American Presidential Election Statistics, 1920-1964* (Pittsburgh, Pa.: University of Pittsburgh Press, 1965), pp. 404-5; *Sioux Falls Daily Argus-Leader*, 4, 5, 6 Nov. 1936.

*Scammon, *America at the Polls*, pp. 403-5.

**Ibid.*, pp. 402-5.

**Ibid.* In 1936, Lemke's 892,492 ballots accounted for 1.96 percent of the nation's total votes. Lemke polled the following proportions in South Dakota and the surrounding farm states: South Dakota, 3.5 percent; Nebraska, 2.1 percent; Iowa, 2.6 percent; and North Dakota, 13.4 percent. *Guide to U.S. Elections*, p. 290.

**Guide to U.S. Elections*, pp. 251, 289-90.

**Ibid.*, pp. 289-90.

**Guide to U.S. Elections*, pp. 430, 504, 784; *South Dakota, Official Directory and Rules of the Senate and House of Representatives, Twenty-fifth Session of the Legislature of South Dakota, 1937-1938*, pp. 22-26, 43-49; *Biographical Directory of the American Congress*, pp. 714, 1043, 1454; Sobel and Raimo, *Biographical Directory of Governors*, 4:1455.

**South Dakota, Cooperative Crop and Livestock Reporting Service, Agricultural Statistics, Annual Report, 1937* (Sioux Falls, S.Dak., [1937]), pp. 12-13, 57, 61-63.

COMMENDATION TO THE ORGAN PIPE CACTUS MONUMENT STAFF AND VOLUNTEERS

● Mr. DECONCINI. Mr. President, I rise today to recognize the efforts of seasonal live-in volunteers and staff at the Organ Pipe Cactus National Monument in southern Arizona. The workers at this monument have expended tireless efforts to help preserve a magnificent desert frontier and jewel of the American Southwest.

Established in 1937, Organ Pipe Cactus National Monument serves as a

pristine, undisturbed sample of the Sonoran desert, featuring plant and wildlife indigenous only to the Southwest. Under a crisp blue Arizona sky, visitors can drive through this remote desert wilderness, hike a back country trail, or camp at facilities throughout the preserved 330,689-acre monument. The monument provides Arizonans and all Americans a beautiful sample of the diversity and splendor our magnificent land has to offer. Within its boundaries great expanses of native cactus and wild flowers carpet a contrasting landscape supporting delicate life and a fragile ecosystem.

Mr. President, it is the efforts of the volunteers and staff at Organ Pipe that help preserve this natural desert wonderland. Greatly limited in size and financial capacity, the Organ Pipe staff relies heavily on live-in winter volunteers to assist visitors at the site. The monument handles over 200,000 visitors every year, many of whom visit in the warm Arizona winter season. The monument employs only about 25 people, who oversee every aspect of operations at the site. Everything from trail maintenance to administrative work is handled by these individuals.

Due to the amount of work that is required to keep the facility's day-to-day operations running, the volunteers at Organ Pipe provide the support and assistance needed to help the overburdened staff ensure a successful operation. They assume many of the same responsibilities as do the staff, and often share their own knowledge and experiences of the Sonoran desert with monument visitors. In exchange for 4 days of volunteer work each week, the volunteers are provided with a space to hook up their RV's and full utility amenities. Some trek from as far away as Vermont and Canada every winter to work at the monument.

Mr. President, without the contributions of these people, the monument could not provide information services and self-reliant features that many outside of the area often take for granted. Their efforts and dedication have been extraordinary, and the fruit of their work can be seen by the beauty of the park and in the enjoyment of its visitors. Every day they share information that they have discovered through experiences and research about the Sonoran desert, adding to the educational value of a visit to the monument.

Mr. President, I enthusiastically salute the volunteers and staff at Organ Pipe Cactus National Monument and thank them for their tireless preservation and educational contributions to the lives of Arizonans and visitors from around the country and the world. Their efforts are helping to preserve a rare and fragile ecosystem so that our children and our children's children can enjoy the raw beauty of nature. I commend these volunteers listed below

and ask that we all follow their example by cherishing and preserving the natural treasures we all share.

ORGAN PIPE CACTUS NATIONAL MONUMENT
VOLUNTEERS

Beale, Daphne; Beale, Don; Black, Alvin; Black, Melba; Gordon, Essee; Gordon, Kenneth; Johnson, Charles; Johnson, Jean; Klitsch, Esther; Klitsch, Frank; Nuss, Kenneth; and Nuss, Sarah.

Powers, Bruce; Powers, Vicki; Sander, Alice; Sander, Frank; Stephens, Dick; Stephens, Janice; Van Wyngarden, Jerry; Willis, Talmage; Willis, Norma; Wolfe, Jerry; Wolfe, Lois; Smith, Harold J., supervisor; Schlunkmann, Shirley, secretary; and Losher, Cathryn, administrative technician.●

LIVE IT SAFE

● Mr. SIMON. Mr. President, I want to bring to the attention of my colleagues a worthwhile public service activity that has been undertaken by the American Academy of Orthopaedic Surgeons. Since the main headquarters of the academy is in Illinois, I am particularly pleased to share the information about their recent efforts to prevent hip injury, one of the main causes of disability among our senior citizens.

During the past few years, the academy has launched a series of nationwide public education programs designed to prevent injuries. Reducing the number of preventable injuries is one of the most important steps we can take to lower health care costs in our country, and public service educational programs are a significant help in this effort. The academy's most recent public service program, Live It Safe, focuses attention on the prevention of broken hips.

In carrying out the Live It Safe program, orthopedists have found that the general public is not aware of the number of hip fractures that occur each year or of the serious consequences. There are more than 280,000 hip fractures each year, mostly in older women, and most require hospitalization and surgery. Although modern orthopedic care and surgical technology offer new hope for bone healing, most hip fracture patients who lived independently before the injury will need assistance from family members or others after the injury.

Forty percent of hip fracture patients aged 65 or older are discharged from hospitals to long-term care facilities. All hip fracture patients require walking aids for several months after injury, and nearly half will permanently require canes or walkers to move around their homes or outdoors.

Mr. President, hip fractures have a major impact on society. According to the academy, the annual cost to the U.S. health care system for acute and convalescent care is more than \$9.8 bil-

lion. That's an average of \$35,000 per patient, since the expected hospital stay is almost 2 weeks. In addition, continuing care, including nursing homes, paid caretakers, and assistance from family members greatly increases the expense of hip fractures beyond that of hospitalization and surgery.

Osteoporosis, age, female gender, nutrition, personal habits, physical and mental impairments, unsafe living environments, and use of medications are some of the factors associated with hip fractures. Prevention of hip fractures is far better and less costly than treatment after the bone is broken. As part of its public education program, the American Academy of Orthopaedic Surgeons suggests several measures that can help prevent broken hips. These include: A diet adequate in calcium, particularly during childhood, adolescence, and adulthood; exercise to minimize bone loss; proper diagnosis and early treatment to reduce the risk of osteoporosis; elimination of smoking and excessive alcohol use, both of which cause bone loss and increase the risk of a fracture; and creation of a safe home environment by recognizing and taking necessary steps to minimize risk of preventable falls from known home hazards.

Mr. President, while orthopedic surgeons are experts in the diagnosis and treatment of disorders involving bones, joints, ligaments, tendons, muscles, and nerves, it is important to note that they are also interested in reducing the need for their services by preventing injuries. I want to commend the American Academy of Orthopaedic Surgeons for increasing public awareness of the risk factors that lead to hip fractures in the elderly and developing strategies for preventing the injury.

The academy invites all Members of the House and Senate to contact them for copies of the brochure "Live It Safe" to share with our constituents. The address is: American Academy of Orthopaedic Surgeons, 6300 North River Road, Rosemont, IL 60018. Their phone number is (708) 823-7186.●

KE KUKUI MALAMALAMA AWARD
WINNERS

● Mr. AKAKA. Mr. President, I rise today to pay tribute to the winners of the Office of Hawaiian Affairs' second annual Ke Kukui Malamalama Award for excellence in Hawaiian education.

The award honors individuals or groups who have excelled in leadership, curriculum development, innovative education, encouragement of Hawaiians in education, and sensitivity to Hawaiians and Hawaiian culture.

This year's awards were presented to Rubellite Kawena Johnson, professor, University of Hawaii, Manoa; Harriet Awana O'Sullivan, Alu Like's Oahu island representative; Abraham Piianaia, lecturer, University of Hawaii, Manoa;

and Jack Yama, a community volunteer.

Others honored at the ceremony included Allan Makahinu Barcarse, Hawaiian studies teacher, King Intermediate School; Robert Cazimero, kumu hula; Dion-Magrit Malamakahu Coschigano, executive vice-president, Historic Hawaii foundation; Carldean Nalani Tollefsen Fisher, teaching/reading specialist, Nanakuli High and Intermediate School; Elizabeth Kauahipaula, kupuna, Hawaiian Studies Program, Wai'au Elementary School; John Keola Lake, teacher, St. Louis High School; Nina Lane, retired educator/administrator, department of education (posthumous); Cecilia Kapuaokaainaoku'uipoleimanu Lee-Lindo, resource teacher, Hawaiian studies, Hongwanji Mission School; Nova-Jean Laulipolipo'okanahele McKenzie, Hawaiian studies/Hawaiian language teacher, Pearl City High School; and Kaupena Wong, retired educator/administrator, department of education.

Mr. President, since the arrival of westernization in the Hawaiian Islands in 1778, and the subsequent 1893 overthrow of the Kingdom of Hawaii and 1898 annexation of Hawaii by the United States, native Hawaiians have struggled to preserve their cultural heritage. Necessary to this struggle is education. The education of history, language, religion, and culture and arts of the Hawaiian people, among Hawaiians and non-Hawaiians alike, have paved the way for a renewed sense of pride and dignity among native Hawaiians.

I firmly believe that education will continue to be one of the most important resources we can use to preserve our cultural heritage. I commend the contributions of the Ke Kukui Malamalama Award winners in their efforts to help the native Hawaiian people. As we observe the centennial of the 1893 overthrow of the Kingdom of Hawaii, there can be no better time to commend such efforts to the Hawaiian cause.●

90TH ANNIVERSARY TRIBUTE TO
THE SALT RIVER PROJECT

● Mr. DECONCINI. Mr. President, I would like to pay special tribute to the oldest multipurpose reclamation project in the United States. The Salt River project [SRP], created in 1903, is the Nation's third largest public power utility and Arizona's largest water supplier.

On February 7, 1993, the Salt River project celebrated 90 years of dedicated service to the citizens of Arizona. This great organization provides a variety of services, including electrical power, to over 550,000 customers and a water delivery system that includes the following: Six Salt River project lakes, including Theodore Roosevelt Dam;

water to industrial, municipal, residential, and agricultural users, and; over 1,300 miles of a water delivery system to serve over 240,000 acres of agricultural lands.

The Salt River project is an invaluable energy resource to the State of Arizona. The Salt River project is also a good citizen whose community activities spread far and wide. It participates in community programs, encourages employee voluntarism, funds charitable causes, and promotes educational programs. Community service is a key element to the overall management of the Salt River project. Community service projects sponsored by the Salt River project includes: Energy conservation programs including an aggressive lighting efficiency program; major sponsor of Phoenix Clean and Beautiful; member of EPA's national Green Lights Program for customers, and; winner of the Governor's Pride in Arizona Award for corporate recycling for 1991-92.

Of special note to citizens across the United States is the estimated \$430 million effort by the Salt River project to reduce by 90 percent sulfur dioxide emissions at the Navajo Generating Station located 80 miles from the Grand Canyon. When annual operation and maintenance costs are added it is estimated that more than \$2.9 billion will be spent on this effort over the next 22 years. This initiative again demonstrates SRP's commitment to the environment and the people of Arizona.

Mr. President, it is with great pleasure that I recognize and applaud SRP's 90 years of dedicated service to the State of Arizona and its communities. ●

COMMITTEE ON FINANCE RULES

● Mr. MOYNIHAN. Mr. President, in accordance with paragraph 2 of rule XXVI of the Standing Rules of the Senate, I submit the rules of the Committee on Finance to be printed in the RECORD.

These committee rules were adopted at the committee's executive session held on February 1, 1993, and are unchanged from the previous Congress.

The rules follow:

COMMITTEE ON FINANCE

I. RULES OF PROCEDURE

(Adopted February 1, 1993)

Rule 1. *Regular Meeting Days.*—The regular meeting day of the committee shall be the second and fourth Tuesday of each month, except that if there be no business before the committee the regular meeting shall be omitted.

Rule 2. *Committee Meetings.*—(a) Except as provided by paragraph 3 of Rule XXVI of the Standing Rules of the Senate (relating to special meetings called by a majority of the committee) and subsection (b) of this rule, committee meetings, for the conduct of business, for the purpose of holding hearings, or for any other purpose, shall be called by the chairman. Members will be notified of com-

mittee meetings at least 48 hours in advance, unless the chairman determines that an emergency situation requires a meeting on shorter notice. The notification will include a written agenda together with materials prepared by the staff relating to that agenda. After the agenda for a committee meeting is published and distributed, no nonurgent items may be brought up during that meeting unless at least two-thirds of the members present agree to consider those items.

(b) In the absence of the chairman, meetings of the committee may be called by the ranking majority member of the committee who is present, provided authority to call meetings has been delegated to such member by the chairman.

Rule 3. *Presiding Officer.*—(a) The chairman shall preside at all meetings and hearings of the committee except that in his absence the ranking majority member who is present at the meeting shall preside.

(b) Notwithstanding the rule prescribed by subsection (a) any member of the committee may preside over the conduct of a hearing.

Rule 4. *Quorums.*—(a) Except as provided in subsection (b) one-third of the membership of the committee, including not less than one member of the majority party and one member of the minority party, shall constitute a quorum for the conduct of business.

(b) Notwithstanding the rule prescribed by subsection (a), one member shall constitute a quorum for the purpose of conducting a hearing.

Rule 5. *Reporting of Measures or Recommendations.*—No measure or recommendation shall be reported from the committee unless a majority of the committee is actually present and a majority of those present concur.

Rule 6. *Proxy Voting; Polling.*—(a) Except as provided by paragraph 7(a)(3) of Rule XXVI of the Standing Rules of the Senate (relating to limitation on use of proxy voting to report a measure or matter), members who are unable to be present may have their vote recorded by proxy.

(b) At the discretion of the committee, members who are unable to be present and whose vote has not been cast by proxy may be polled for the purpose of recording their vote on any rollcall taken by the committee.

Rule 7. *Order of Motions.*—When several motions are before the committee dealing with related or overlapping matters, the chairman may specify the order in which the motions shall be voted upon.

Rule 8. *Bringing a Matter to a Vote.*—If the chairman determines that a motion or amendment has been adequately debated, he may call for a vote on such motion or amendment, and the vote shall then be taken, unless the committee votes to continue debate on such motion or amendment, as the case may be. The vote on a motion to continue debate on any motion or amendment shall be taken without debate.

Rule 9. *Public Announcement of Committee Votes.*—Pursuant to paragraph 7(b) of Rule XXVI of the Standing Rules of the Senate (relating to public announcement of votes), the results of rollcall votes taken by the committee on any measure (or amendment thereto) or matter shall be announced publicly not later than the day on which such measure or matter is ordered reported from the committee.

Rule 10. *Subpoenas.*—Subpoenas for attendance of witnesses and the production of memoranda, documents, and records shall be issued by the chairman, or by any other member of the committee designated by him.

Rule 11. *Open Committee Hearings.*—To the extent required by paragraph 5 of Rule XXVI of the Standing Rules of the Senate (relating to limitations on open hearings), each hearing conducted by the committee shall be open to the public.

Rule 12. *Announcement of Hearings.*—The committee shall undertake consistent with the provisions of paragraph 4(a) of Rule XXVI of the Standing Rules of the Senate (relating to public notice of committee hearings) to issue public announcements of hearings it intends to hold at least one week prior to the commencement of such hearings.

Rule 13. *Witnesses at Hearings.*—(a) Each witness who is scheduled to testify at any hearing must submit his written testimony to the staff director not later than noon of the business day immediately before the last business day preceding the day on which he is scheduled to appear. Such written testimony shall be accompanied by a brief summary of the principal points covered in the written testimony. Having submitted his written testimony, the witness shall be allowed not more than ten minutes for oral presentation of his statement.

(b) Witnesses may not read their entire written testimony, but must confine their oral presentation to a summarization of their arguments.

(c) Witnesses shall observe proper standards of dignity, decorum and propriety while presenting their views to the committee. Any witness who violates this rule shall be dismissed, and his testimony (both oral and written) shall not appear in the record of the hearing.

(d) In scheduling witnesses for hearings, the staff shall attempt to schedule witnesses so as to attain a balance of views early in the hearings. Every member of the committee may designate witnesses who will appear before the committee to testify. To the extent that a witness designated by a member cannot be scheduled to testify during the time set aside for the hearing, a special time will be set aside for the witness to testify if the member designating that witness is available at that time to chair the hearing.

Rule 14. *Audiences.*—Persons admitted into the audience for open hearings of the committee shall conduct themselves with the dignity, decorum, courtesy and propriety traditionally observed by the Senate. Demonstrations of approval or disapproval of any statement or act by any member or witness are not allowed. Persons creating confusion or distractions or otherwise disrupting the orderly proceeding of the hearing shall be expelled from the hearing.

Rule 15. *Broadcasting of Hearings.*—(a) Broadcasting of open hearings by television or radio coverage shall be allowed upon approval by the chairman of a request filed with the staff director not later than noon of the day before the day on which such coverage is desired.

(b) If such approval is granted, broadcasting coverage of the hearing shall be conducted unobtrusively and in accordance with the standards of dignity, propriety, courtesy and decorum traditionally observed by the Senate.

(c) Equipment necessary for coverage by television and radio media shall not be installed in, or removed from, the hearing room while the committee is in session.

(d) Additional lighting may be installed in the hearing room by the media in order to raise the ambient lighting level to the lowest level necessary to provide adequate television coverage of the hearing at the then current state of the art of television coverage.

(e) The additional lighting authorized by subsection (d) of this rule shall not be directed into the eyes of any members of the committee or of any witness, and at the request of any such member or witness, offending lighting shall be extinguished.

(f) No witness shall be required to be photographed at any hearing or to give testimony while the broadcasting (or coverage) of that hearing is being conducted. At the request of any such witness who does not wish to be subjected to radio or television coverage, all equipment used for coverage shall be turned off.

Rule 16. *Subcommittees.*—(a) The chairman, subject to the approval of the committee, shall appoint legislative subcommittees. All legislation shall be kept on the full committee calendar unless a majority of the members present and voting agree to refer specific legislation to an appropriate subcommittee.

(b) The chairman may limit the period during which House-passed legislation referred to a subcommittee under paragraph (a) will remain in that subcommittee. At the end of that period, the legislation will be restored to the full committee calendar. The period referred to in the preceding sentences should be 6 weeks, but may be extended in the event that adjournment or a long recess is imminent.

(c) All decisions of the chairman are subject to approval or modification by a majority vote of the committee.

(d) The full committee may at any time by majority vote of those members present discharge a subcommittee from further consideration of a specific piece of legislation.

(e) Because the Senate is constitutionally prohibited from passing revenue legislation originating in the Senate, subcommittees may mark up legislation originating in the Senate and referred to them under Rule 16(a) to develop specific proposals for full committee consideration but may not report such legislation to the full committee. The preceding sentence does not apply to nonrevenue legislation originating in the Senate.

(f) The chairman and ranking minority members shall serve as nonvoting *ex officio* members of the subcommittees on which they do not serve as voting members.

(g) Any member of the committee may attend hearings held by any subcommittee and question witnesses testifying before that subcommittee.

(h) Subcommittee meeting times shall be coordinated by the staff director to insure that—

(1) no subcommittee meeting will be held when the committee is in executive session, except by unanimous consent;

(2) no more than one subcommittee will meet when the full committee is holding hearings; and

(3) not more than two subcommittees will meet at the same time.

Notwithstanding paragraphs (2) and (3), a subcommittee may meet when the full committee is holding hearings and two subcommittees may meet at the same time only upon the approval of the chairman and the ranking minority member of the committee and subcommittees involved.

(i) All nominations shall be considered by the full committee.

(j) The chairman will attempt to schedule reasonably frequent meetings of the full committee to permit consideration of legislation reported favorably to the committee by the subcommittees.

Rule 17. *Transcripts of Committee Meetings.*—An accurate record shall be kept of all mark-

ups of the committee, whether they be open or closed to the public. This record, marked as "uncorrected," shall be available for inspection by Members of the Senate, or members of the committee together with their staffs, at any time. This record shall not be published or made public in any way except:

(a) By majority vote of the committee after all members of the committee have had a reasonable opportunity to correct their remarks for grammatical errors or to accurately reflect statements made.

(b) Any member may release his own remarks made in any markup of the committee provided that every member or witness whose remarks are contained in the released portion is given a reasonable opportunity before release to correct their remarks.

Notwithstanding the above, in the case of the record of an executive session of the committee that is closed to the public pursuant to Rule XXVI of the Standing Rules of the Senate, the record shall not be published or made public in any way except by majority vote of the committee after all members of the committee have had a reasonable opportunity to correct their remarks for grammatical errors or to accurately reflect statements made.

Rule 18. *Amendment of Rules.*—The foregoing rules may be added to, modified, amended or suspended at any time.●

COMMENDING REPRESENTATIVE JOE KENNEDY

● Mr. SIMON. Mr. President, I rise to take this opportunity to commend our House colleague Congressman JOE KENNEDY for his leadership on the Turkish-Armenian situation and to commend President Turgut Ozal of Turkey for this positive step forward.

What our colleague has done is to meet with the President of Turkey, and Turkey has agreed to three things: First, that humanitarian aid can cross the border into Armenia by whatever means; second, that Turkey will allow oil to be taken across its border into Armenia by rail; and third, that Turkey will try to develop better economic relations with Armenia.

What this does is to start to heal wounds that go back many decades, even centuries.

The situation in Armenia is desperate.

And I hope that the leaders of Azerbaijan will follow the lead of Turkey and see what can be done to improve the situation.

Right now, the image that many of us in public office have of Azerbaijan is not a favorable one, based on their treatment of Armenia.

What we need are positive steps forward.

And I would add, if Turkey can take the same attitude toward Cyprus, there can be a marked improvement in Greek-Turkish relations and, I think, an improved attitude toward Turkey on the part of the Western European community.

Again, I am grateful to Congressman KENNEDY and President Ozal for this step forward.

I ask to insert into the RECORD the remarks of Congressman JOE KENNEDY at a press conference on February 3.

The remarks follow:

REMARKS OF CONGRESSMAN JOE KENNEDY,
FEBRUARY 3, 1993

I am concerned about the state of crisis that exists in Armenia today. The economic blockade imposed on Armenia by the Republics of Azerbaijan and Turkey have brought misery and suffering to millions of Armenians. Civil strife within bordering Georgia has caused shipments of food and medicine to be sporadic and unpredictable.

The conditions in Armenia are bleak and disintegrating daily. In the Capital city of Yerevan, there is no heat, only sporadic electricity, no hot water, contaminated drinking water, limited foodstuffs and primitive medical conditions. Telephones no longer work and there is no public transportation. The citizens of Yerevan are tearing up the floorboards in their houses and cutting down all the trees in an effort to keep from freezing to death. News reports from Yerevan paint a picture of a living hell.

The U.N. High Commissioner, Amnesty International, The Red Cross, UNICEF and other international organizations report that 40 percent of the county is at risk and 30,000 people could die this winter from starvation and exposure if sufficient amounts of food, heat and medicine are not brought into the country immediately.

The situation is even more urgent given the fact that Armenia's only remaining source of energy—a gas pipeline running through Georgia—was blown up last week.

Yesterday, I met with the President of the Republic of Turkey, Turgut Ozal. I made an appeal on humanitarian grounds for his country to help address the misery and suffering of the Armenian people. President Ozal agreed to three main points:

(1) Turkey will allow all humanitarian aid to cross their border—by any transport—into Armenia, provided it is inspected by the Turkish government.

(2) Turkey will allow oil to be taken across its border by rail into Armenia.

(3) Turkey will pursue developing economic relations with Armenia through the Black Sea Economic Accord.

This is a significant difference in the position taken by the Turkish Government in the past. I have talked to the American Ambassador to the Newly Independent States and he considers this agreement to be a very positive step forward.

I want to commend President Ozal for this significant agreement. It is my hope and belief that the agreement reached between President Ozal and myself last evening will be immediately implemented. There are tons and tons of food and medicine ready to be brought into Armenia and time is absolutely critical.

I want to again commend President Ozal and call upon the Turkish Government to implement this agreement as quickly and as possible.●

FACES OF THE HEALTH CARE CRISIS IN MICHIGAN: RISING HEALTH CARE COSTS FOR FAMILIES

● Mr. RIEGLE. Mr. President, I rise today in a continuing effort to put a face on the problem of rising health care costs for families throughout the United States. The high costs of health

care coverage are having a devastating financial impact on the Cole family, of Warren, MI. Dawn Marie Cole contacted me in a letter last September to tell me about their situation.

Dawn Marie and her husband Kenneth are in their thirties. They have three children, Jessica 15, Amanda 9, and Justin 2. Kenneth is an auto mechanic who works two jobs to support his family. Dawn Marie was disabled after a severe auto accident several years ago. She had stopped to help a person who was stranded on the highway and was struck by an oncoming car. As a result, she is unable to work outside the home.

For the past year, the family has had health care coverage from a Blue Cross/Blue Shield major medical plan provided through Kenneth's employer. But the Coles are not protected for catastrophic expenses under their current plan and they have been struggling to pay the out-of-pocket costs for medical expenses not covered by their insurance. And Kenneth's employer is unable to assist the family in paying a portion of the premium costs. They pay \$99.86 per week—more than \$5,100 per year—for their insurance and have a \$300 per year deductible. After the deductible has been met, the Coles must still pay 30 percent of their medical expenses.

Dawn Marie said the family's out-of-pocket medical costs in 1992 exceeded \$11,000. She is very frustrated that it costs her family so much to purchase medical insurance, and that the insurance they have doesn't adequately cover the family medical bills.

The family has had to deal with a number of health problems. The youngest son, Justin, has had surgery twice to insert tubes in his ears and a third time to clean out his tear ducts. He also has asthma that requires the daily use of antibiotics. The eldest child, Jessica, was born prematurely and her lungs were underdeveloped. As a result, she has bouts of bronchitis and pneumonia which have occasionally required hospitalization. Amanda and Justin both have allergies which require treatment. Justin visits an ear nose and throat specialist once a month that charges \$55 per visit plus \$15 for injections. When his asthma is active, he may go to his pediatrician every other day for up to 2 weeks. The office call is \$45 and injections are \$10.

As a result of an auto accident, Dawn Marie has problems with disks in her back and neck that continue to plague her and require medical attention. She also occasionally has brain hemorrhages and incapacitating headaches. She requires physical therapy and visits to a neurologist. Her auto insurance, State Farm, has paid for some but not all of the medical costs for the injuries incurred in the accident. To date, Dawn Marie states that the insurance has not covered approximately \$1,000 in treatment.

Their health care costs have put such a severe strain on the family's budget that they barely have enough for food and clothes for the children. Their income depends on Kenneth's commissions and currently varies from \$200 to \$280 a week after taxes. The Coles do not qualify for any assistance.

Dawn Marie is afraid of what the future holds because of the rising costs of health care. She is worried that the family may not be able to continue paying for their medical insurance. If that happens, she is very worried about how they will be able to afford the care they need to stay healthy.

The Cole family, and every family in America, deserves affordable coverage that provides basic health care services. Like the Coles, too many families are finding that health care coverage is moving out of their financial reach. Health care should not be a luxury available to some and not others. I will continue to do all that I can to bring down the skyrocketing costs of health insurance by supporting comprehensive reform of the current health care system.●

CORONA DEL SOL HIGH SCHOOL "DEBT BUSTERS"

● Mr. DECONCINI. Mr. President, I rise today to pay tribute to 90 juniors and seniors at Corona Del Sol High School in Tempe, AZ, who courageously answered President Clinton's call to arms for shared sacrifice in combating our national debt.

As part of a government-class project, these ambitious 17- and 18-year-olds tried to raise \$50,000 to help reduce the \$4 trillion national debt. Shortly after election day, these students and their teacher, Mr. Frank Mirizio, with the support of principal Eldon Mailes, devised a simple plan of attack. They would hold bake sales and sell "Debt Buster" Tee-shirts and bumper stickers. Their goal was twofold. First, they sought to raise the consciousness of the community in order to address the seriousness of the problem with our escalating debt. Second, they attempted to raise the \$50,000 for deposit in the Treasury's debt reduction account.

These students hoped to reach their \$50,000 goal sometime before Christmas. They never anticipated, however, that they would face such strong apathy and lack of interest in the adult community. Unfortunately, two months of hard work resulted in roughly \$2,100 of net profit. Last week, they presented to me a check in that amount which I will soon give to Secretary Bentsen for deposit in the public debt reduction fund. This fund provides for the acceptance of gifts to be used for reducing the public debt by the Secretary of the Treasury and the Administrator of General Services.

Mr. President, many Americans probably do not know that this fund was first established in 1961. I am also sure that many Americans do not know that contributions made to this fund qualify as a charitable donation and may be taken as a charitable deduction. The

first year that the fund was established a mere \$10,000 was donated by citizens across the land. In 1991, however, that figure climbed to almost \$1.5 million. I realize that \$1.5 million pales in comparison to a \$4 trillion debt, but it is a start. In fact, I would hope that it is only a beginning for bigger and better things to come—real participation by all Americans in helping to remedy a situation that could literally bring this country to its knees.

Clearly, Mr. President, the real significance of Corona Del Sol's project was not the amount of money raised, but rather the dedicated concern these young men and women demonstrated for the future of our country. Throughout their endeavor, these students were ridiculed at school as well as in the community. They were told that the project was a waste of time and that their effort would not make a difference. Their teacher, Mr. Mirizio, even expressed some embarrassment at the amount of the money raised. Mr. President, I believe that the only ones who should be embarrassed are those who did not support the student effort and the purpose behind the "Debt Buster" project.

I would argue that this project was a huge success. I understand that since these students presented their check for \$2,100 to me last week, citizens and groups from all across this country have been calling Corona Del Sol High School to get involved. In fact, representatives from over 200 high schools as far away as Delaware have contacted Corona Del Sol High School in order to organize their own "Debt Buster" campaigns. It is precisely this type of grassroots movement to retire the debt that brings all of us together to fight the good fight.

Mr. President, if only more people would realize the true nature of the debt today, there would surely be similar action by Americans everywhere. Currently, the accumulation of yearly deficits total a \$4.17 trillion debt and estimates indicate that by the year 2000 it will reach \$12 trillion. If the national debt were to be paid off this year, it would require a payment of more than \$16,000 from every man, woman, and child in the country. Each year, the Government must borrow huge amounts of money to make interest payments on the debt. This borrowing diverts funds from investment which would enhance productivity and improve our economy. Reducing the deficit is clearly the most important mechanism by which to promote long-term economic growth.

Mr. President, these students have done much more than to make a donation in the effort to reduce our debt. They have realized that they are the next generation of Americans, a generation which will have to work longer and harder in order to chip away at a debt whose weight is crushing the economy. These young Americans have proven their determination to take responsibility for a problem which they did not cause, but are doing everything to solve. They are a civics lesson in action.

I come to the floor on the same day on which the President of the United States will present what everyone

knows, both in Congress and across this country, will be a momentous address about his economic plan for the future of this country—an address which will call for a number of tough sacrifices by all Americans. It is gratifying to know that in at least one case the call is already being answered and sacrifices are already being made.

I thank the students of Corona Del Sol High School for their effort and determination. I hope that their hard work and vision will inspire both the citizens and the Government of the United States to do their respective parts in bringing the debt under control. I know they have inspired me.●

ORDERS FOR TOMORROW

Mr. WELLSTONE. Mr. President, I ask unanimous consent that when the Senate completes its business, it stand in recess until 8:30 p.m. today; that upon reconvening at 8:30 p.m., the Senate assemble as a body and proceed to the House of Representatives for a Joint Session of Congress to receive a message from the President of the United States; that at the close of the Joint Session the Senate then stand in recess until 8:30 a.m. Thursday, February 18; that on Thursday, following the prayer, the Journal of Proceedings be deemed approved to date and that the time for the two leaders be reserved for their use later in the day; that upon disposition of S. 1, the NIH bill, there then be a period for morning business with Senators permitted to speak therein.

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

ORDER OF PROCEDURE

Mr. WELLSTONE. Mr. President, I ask unanimous consent that Senator GRASSLEY now be recognized to address the Senate, and that at the conclusion of his remarks the Senate then stand in recess until 8:30 p.m. this evening.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Iowa [Mr. GRASSLEY], is recognized.

Mr. GRASSLEY. Mr. President, I only want to speak 10 minutes. I do not know that is what was said, but I want everybody to know I am not going to be speaking for a long period of time.

THE FEDERAL DEFICIT

Mr. GRASSLEY. Mr. President, I rise to address my colleagues on the subject of the Federal deficit and things that are going to be stated in the President's program in regard to that.

It seems that once again, Mr. President, Washington's efforts to deal with the Federal deficit and business as usual are leaving the American people scratching their heads. Is this what they voted for last November, they are asking? Is this what we were promised, more taxes and more spending? They thought that obsolete prescription ran out with the end of the Carter administration. Not so, Mr. President. It is back. Tax and spend is back. It is called, "Tax and spend: the sequel." This first Clinton budget, as budget director Leon Panetta said this morning, reflects the President's fundamental beliefs. If so, we are not seeing the pol-

icy of a new kind of Democrat. We are seeing Jimmy Carter all over again. It is Jimmy Carter in Bill Clinton's clothing. We are seeing the Democrats' proposal at Andrews Air Force Base at the budget summit in September 1990 all over again.

Now, the American people were adamant and clear about one thing. They want change. That is what they voted for. They were promised change. And they are being told that, indeed, the economic plan represents change.

Well, America, what you are really getting is false advertising. This is a program of broken promises. You are being told that you are being leveled with. This package, you are told, represents change. It is change all right, but the change that you are about to get is this: Instead of gridlock, you are about to get an all-Democrat tax-and-spend package, and it is going to be, evidently, rammed right down the collective throats of Americans.

Ross Perot, I would suggest that your 1-800 number will be ringing off the wall tonight. There is nothing creative or surgical about this package. It diagnoses the patient correctly, pointing out all the maladies, but the prescription is to hit the patient over the head with a two-by-four.

If that is what you think this economy needs, America, then it will pass. But somehow I suspect your infinite wisdom, America, will prevail.

There are three levels of criticism that I have with this plan, Mr. President. First, the plan reflects an about-face from the President's campaign pledges.

Second, the selling of this package is far different from the reality of this package.

And third, it makes no sense economically.

First, the promise versus delivery mismatch. America was told the deficit would be cut in half within 4 years. That will not happen. Middle-class America was told that their taxes would be cut, and that their taxes would never, ever, ever be raised. They were told that if revenues were insufficient, more spending cuts would be made.

All three of these principles were breached in a single package. Middle-class taxes were not cut, middle-class taxes were increased, and more spending cuts are not what we are getting.

Finally, America was told to expect real, fundamental change, a restructuring of Government, a reinventing of Government, making Government more effective with less money. Yet, what we are getting is a tinkering around the edges. We are getting the 3-percent solution, a 3-percent cut in administrative expenses. If I recall my Peter Drucker lessons correctly, this 3-percent solution addresses efficiency, not effectiveness.

Where is the reinventing of Government?

Moreover, as we have seen before, scoring administrative savings for agencies is doubtful. And so there is no assurance that these savings will come about, and an erosion of the civil service corps through attrition is hardly a

bold, vibrant step toward reforming Government bureaucracies.

The second level of criticism I have is with the rhetoric versus the reality of the package. We were told to expect a 2-for-1 spending cut to tax increase ratio. We did not get that. We are told now that it is 1 to 1. Well, America, we did not even get that. This again is false advertising.

First of all, the package calls spending cuts that are really tax increases on Social Security and other beneficiaries, so not only do we have the word "contribution" as a euphemism for tax increase, we also have the phrase "spending cut" that is a euphemism for tax increase. This logic only works if you are behind a looking glass.

Also counted as spending cuts is the amount of interest that we will avoid paying because we have been more frugal. Is there really a spending cut? Not in the real world.

Finally and most importantly, much of the rest of the spending cuts are really not spending cuts at all. They are savings from an inflated baseline. The savings from these so-called spending cuts were already saved. Last year we voted overwhelmingly in this body to maintain a capped baseline. The administration has created an inflated baseline above the capped baseline. That is like an unscrupulous businessperson inflating his or her prices by 50 percent, then lowering those prices by the same 50 percent by telling people it is a 50-percent-off sale. In other words, Mr. President, again that is false advertising.

Finally, Mr. President, the American people are being led to believe the special interests will deplore this package. Let me be frank. Only selected special interests will not like it. Other special interests will like it. So I would like to quote one paragraph from the front page of the morning Washington Post:

While Clinton was criticizing lobbyists and the "special interests" he said were lining up to oppose his program, the White House and Democratic National Committee were briefing about 50 interest groups that are being asked to promote his program, including women's groups, environmental activists, anti-poverty groups, children's advocates, youth leaders, labor and civil rights groups.

The point is, Mr. President, that this is not a budget that attacks established interests across the board in Washington as we are led to believe. Again, that is false advertising.

The third point of criticism I have with this plan, Mr. President, is that it does not make economic sense. A \$31 billion stimulus will have as much an impact on the economy as a spit in the ocean. Besides, we already have a huge stimulus package and that is called in every day language a \$300 billion deficit. This constant talk that we hear of a sluggish economy is Democrat-speak for "We need to make Government grow."

In addition, since when does it make economic sense to increase taxes while we are emerging from a long recession? This would be the largest tax increase in history. Once again, this is a two-by-four prescription: Hit the economy hard just when it is getting well.

Mr. President, these are just some of the reasons why this plan, in my calculation, should be and hopefully will be dead on arrival with the American people. Despite all my criticisms of this plan, there is at least one point of agreement that I share with the President.

The President has termed this a "call to arms." I agree. But where there is probably disagreement is that I believe the arms should be aimed right at the White House. We expected change. We were promised change. We are told that this is change.

This is not change, Mr. President. This is tax and spend. This is the 1990 budget agreement all over again, only worse. This is the status quo. This is business as usual.

America, you have spoken loud and clear that you intend to take back your capital. You said this so thoroughly throughout the election year. You said so during the Zoe Baird nomination.

Look at this package without the false advertising. If it is true that you want your capital back, then let your phones and our phones ring off the hook throughout this city.

Send them back to the drawing board, because evidently people in this town who were sent here supposedly

with a message are not getting the message.

Thank you. I yield the floor.

ORDER OF PROCEDURE

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the previous consent agreement be amended to reflect a second Hatfield amendment regarding the sense-of-the-Senate language with respect to the Oregon waivers.

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

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

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 8:30 p.m. tonight.

Thereupon, the Senate, at 6:22 p.m., recessed until 8:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. FORD).

JOINT SESSION OF THE TWO HOUSES—MESSAGE OF THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 1)

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the Hall of the House of Representatives for a joint session.

Upon the conclusion of the joint session, the Senate will stand in recess until 8:30 a.m. tomorrow, Thursday, February 18, 1993.

Thereupon, at 8:30 p.m., the Senate, preceded by the Secretary of the Senate, Walter J. Stewart, and the Sergeant at Arms, Martha S. Pope, proceeded to the Hall of the House of Representatives to hear the address by the President of the United States.

(The address by the President of the United States, this day delivered by him to the joint session of the two Houses of Congress, appears in the proceedings of the House of Representatives in today's RECORD.)

RECESS UNTIL 8:30 A.M. TOMORROW

At the conclusion of the joint session of the two Houses, and in accordance with the order previously entered, at 10:16 p.m., the Senate recessed until tomorrow, February 18, 1993, at 8:30 a.m.